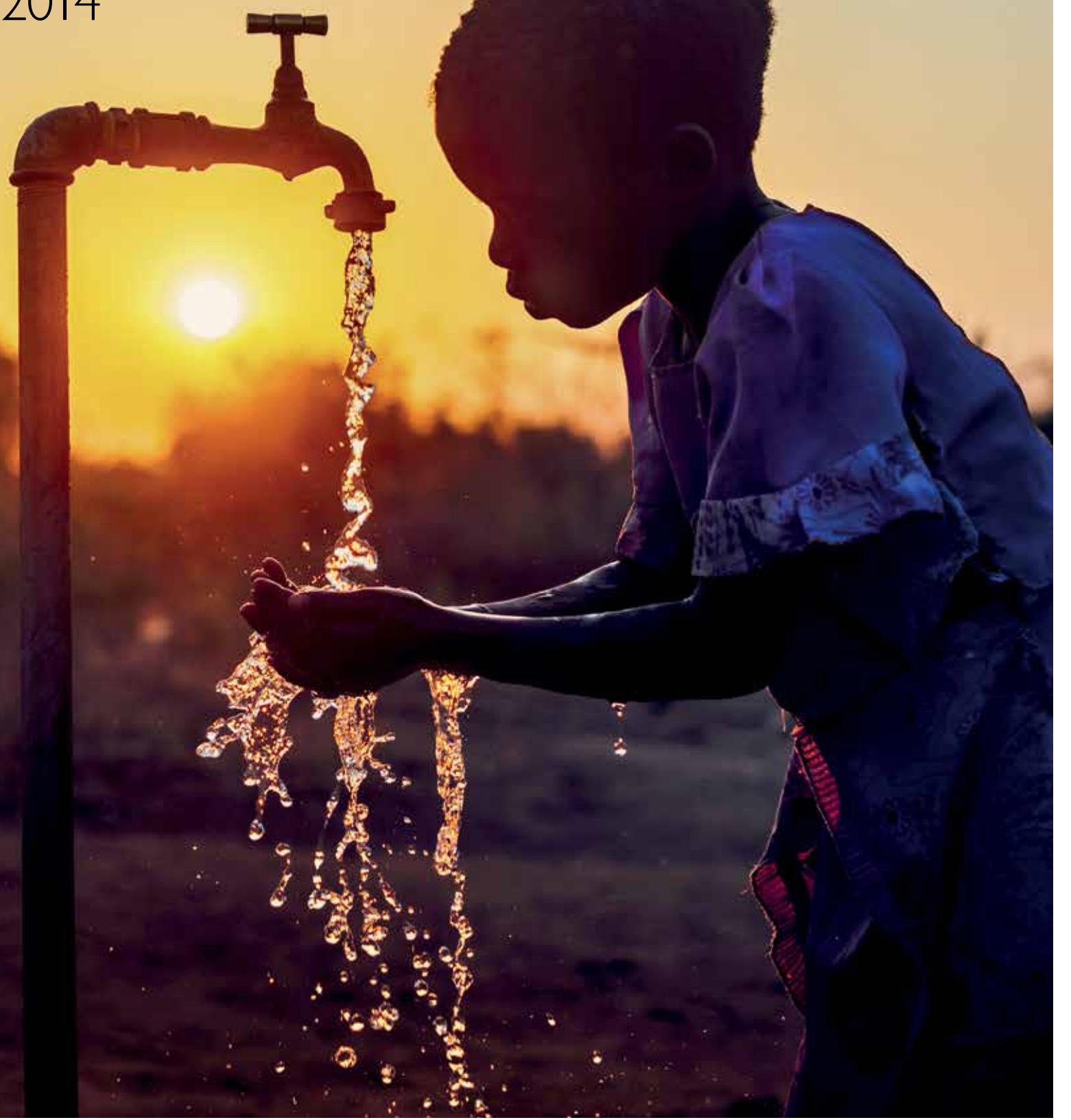




ANNUAL REPORT 2014







IT'S POSSIBLE.

David, now 26, was one of many children living in Lamay, Peru, sponsored by Australians through World Vision. Thanks to this support, David was the first in his community to go to university and he is now preparing to become a tourist guide. Photo: Ilana Rose/World Vision

World Vision Australia
ABN 28 004 778 081
1 Vision Drive, Burwood East,
Victoria, 3151

Incorporation and charitable status

- Public company limited by guarantee under the Corporations Act from 19 June 1969. Members are our current Directors.
- Registered charity with the Australian Charities and Not-for-Profits Commission from 3 December 2012.

Tax concessions and fundraising

- Public Benevolent Institution (PBI) and endorsed by the Australian Taxation Office as:
 - a Deductible Gift Recipient (DGR);
 - an Income Tax Exempt Charity (holding tax concessions and exemptions relating to income, goods and services, and fringe benefits taxes).
- operates an Overseas Aid Fund and a Necessitous Persons Fund, endorsed as DGRs.
- fundraises throughout Australia and registered under fundraising legislation as required:

NSW – Registration no. I3579

QLD – Registration no. CH0675

SA – Licence no. CPP605

TAS – Registration no. I

VIC – Registration no. I0214.I2

WA – Licence no. I8076

Accreditations

Fully accredited by the Australian Government through its Department of Foreign Affairs and Trade. The accreditation process provides the Australian Government and the Australian public with confidence that they are funding a professional, well-managed, community-based organisation capable of delivering good development outcomes.

Member of the Australian Council for International Development (ACFID) and adherent to the ACFID Code of Conduct (acfid.asn.au/code-of-conduct). The code defines minimum standards of governance, management and accountability for non-government organisations and aims to improve international development outcomes and increase stakeholder trust by enhancing transparency and accountability of signatory organisations.

Feedback and complaints

Feedback on this report and on our operations and conduct more generally can be sent to service@worldvision.com.au or in writing to: Chief of Staff, Office of the CEO, 1 Vision Drive, Burwood East, Vic, 3151.

Feedback will be acknowledged and response will be given.

Complaints relating to a breach of the ACFID Code of Conduct can be made to the ACFID Code of Conduct Committee (www.acfid.asn.au/code-of-conduct/complaints).

About this Annual Report

This Annual Report covers our activities and performance for the period 1 October 2013 to 30 September 2014, our financial year.

It has been prepared to respond to specific legal requirements and the ACFID Code of Conduct and also with reference to the Global Reporting Initiative's Sustainability Reporting Guidelines and the GRI NGO Sector Supplement. A table showing how the content of this Annual Report responds to the indicators under the GRI framework can be found on our website at worldvision.com.au/GRIreferences2014.

This Annual Report is one of the ways we seek to satisfy our accountability obligations to all our stakeholders, including our partners and supporters. We believe accountability is crucial for our sustainability and therefore our ability to fulfil our Mission. By holding ourselves accountable, we demonstrate that we are worthy of this trust.

We encourage you to read this Annual Report together with:

- I. Our Annual Evaluation Review 2014, available at worldvision.com.au/AnnualReports.

This covers reviews undertaken in 2014 of 78 evaluation reports from projects we funded which were completed in 2013.

2. The most recent Accountability Report of the World Vision International Partnership at wvi.org/accountability. This addresses the mechanisms and processes that the Partnership, of which we are a part, has in place to assure quality improvement and ensure integrity, as well as the challenges the Partnership faces as a whole.

This report covers activities we (World Vision Australia) have undertaken or supported. Where we have undertaken or supported an activity with other World Vision offices we describe them as "World Vision" activities.

World Vision Australia was pleased to be recognised as the winner in the revenue greater than \$30m category in the 2013 PwC Transparency Awards for the quality and transparency of our reporting for 2013.

PwC
Transparency
awards



Winner 2013
> \$30m revenue category

Cover photo: A child enjoys clean drinking water from a mechanised borehole World Vision installed in rural Zambia.
Photo: Jon Warren/World Vision

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WHO WE ARE

World Vision Australia is an organisation incorporated in Australia. It is one of many World Vision offices, which through a Covenant of Partnership, together form the World Vision International Partnership that collectively operates in more than 90 countries. In this sense, we are a “twin citizen”, operating in Australia but also with international obligations. As a whole, the Partnership is the world’s largest non-governmental, humanitarian and development agency. All offices in the Partnership are signatories to the Covenant of Partnership.

You can find out about our history at worldvision.com.au/History and read more information about the Partnership at wvi.org.

Additionally, you will find out more about how we work and fund our projects through the Partnership on pages 36-37.



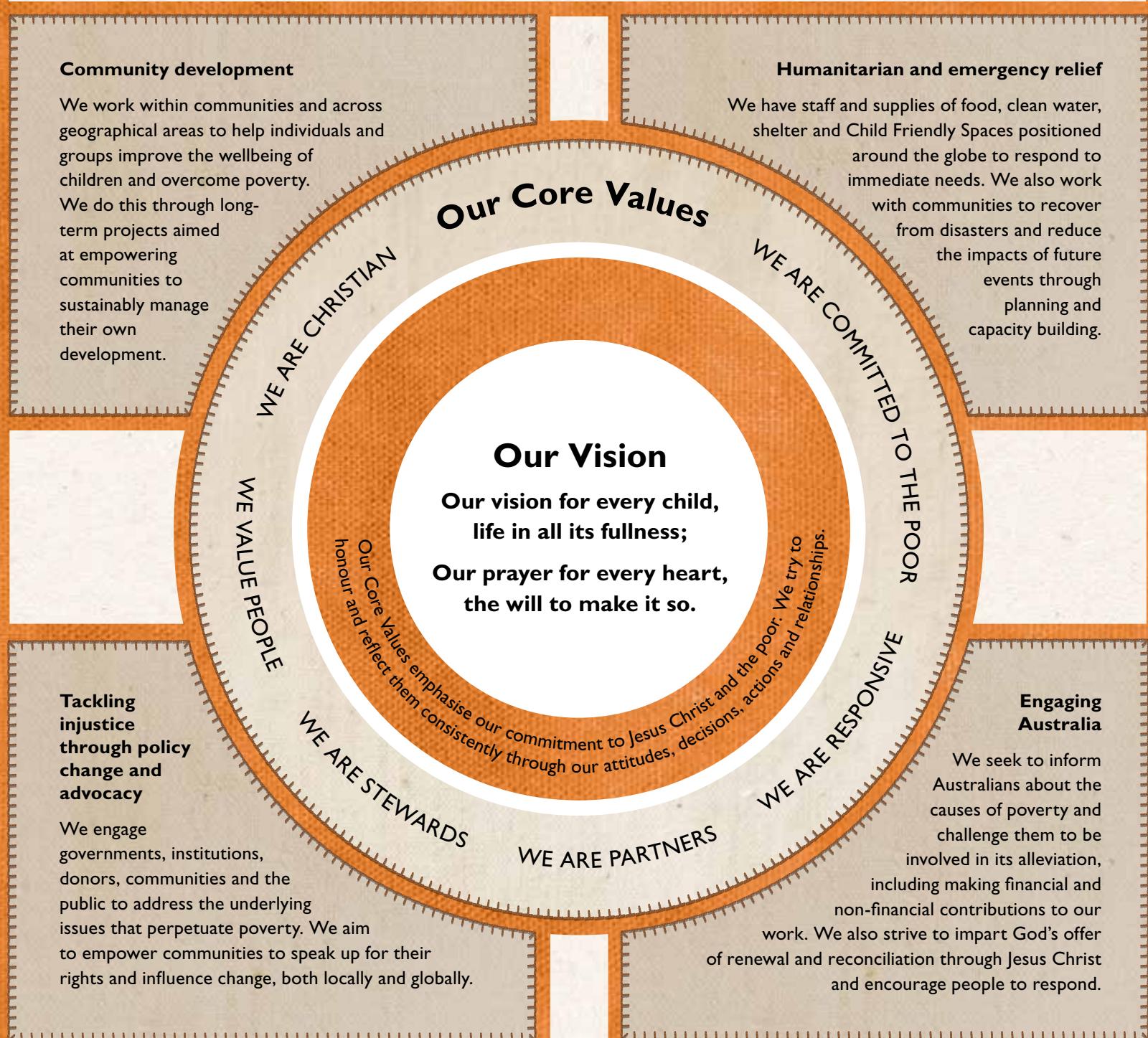
Following Typhoon Haiyan in the Philippines, World Vision distributed food and hygiene kits, along with other essential items, to help meet the immediate needs of children and families.
Photo: Orlando Ducay Jr/World Vision

Our Mission

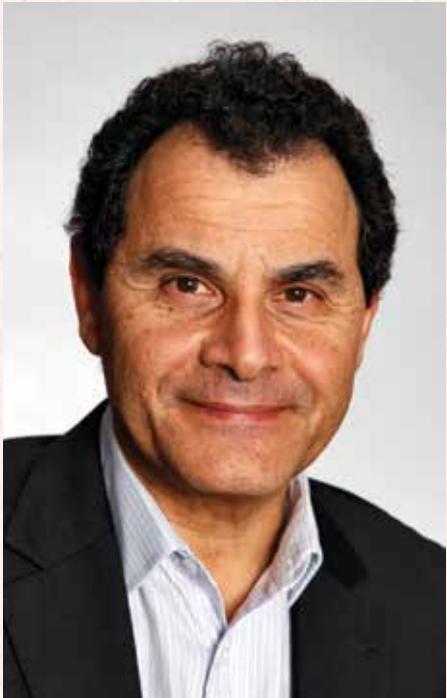
Our Mission is to be a Christian organisation that engages people to eliminate poverty and its causes.

Our Christian faith is the foundation for all we do and we strive to follow the teachings of Jesus Christ. We are committed to the poor because we are Christian. We seek to express our Christian beliefs in an inclusive and non-judgmental manner and we are committed to working with people of all cultures, faiths and genders to achieve transformation. You can find out more about our Christian identity and how our aid and development work is informed by our Christian faith at worldvision.com.au/ChristianIdentity.

Illustrated below are our Vision, Core Values and the key focus areas of our work.



MESSAGE FROM GEORGE SAVVIDES



This year's major focus for our Board has been to review and endorse a bold plan developed by management for strategic renewal – one that aims to ensure that we remain focused on our purpose, while adapting to new fundraising challenges, and also one that ensures we will have the resources we need to support our growing humanitarian work for the years ahead.

Both the Board and the management team know that growing our resources, important as that is, is not enough. We need also to be continually improving the quality and impact of our work with the communities and children we serve, with transparency and good governance for our generous supporters. We have been encouraged by the commitment and resilience of our staff who continue to set forward challenging goals with careful planning, supported by accountable program evaluation.

I find it enormously encouraging that so many Australians, from all walks of life, are willing to make a real sacrifice in order to support others. In a world beset with dangers and difficulties, Australians are taking a positive stand, reflecting faith in the future and a spirit of compassion. Through World Vision, Australians are partnering with communities in every corner of the globe – communities working to transform their worlds so that children may thrive and grow up to lead productive and rewarding lives.

In this report you will discover much of the story of what we have been doing during 2014. Each year brings its challenges and opportunities, but as we approach half a century of World Vision's work in Australia, it is important to remember the continuity in what we are doing. The belief that drives us – the vision of a world where every child lives life in all its fullness – never falters and never changes.

I would like to thank all my colleagues on our Board for their passionate contribution to World Vision, especially Barry Pipella who retired at the end of 2014 after nine years' dedicated service.

I would also like to commend our CEO Tim Costello and all of our staff, our volunteers, our partners and especially our faithful supporters for their continuing commitment to our work in transforming lives.

MESSAGE FROM TIM COSTELLO



2014 has been a year of dramatic contrasts, a time for reflection, a time for action and a time for preparing for the future.

Looking back on all of this, there is one thing which stands out to me and that is "possibility".

Early in the year I was fortunate to spend time in Rwanda and Uganda, where I saw the benefits of a long-term commitment by World Vision and the fruits of the faithfulness of our committed supporters. Rwanda, today, is a world away from the images of the genocide we saw 20 years ago.

On the Indonesian island of Sumba, one of the country's poorest regions, I saw economic transformation happening as a result of innovative programming. This island, once covered with rich sandalwood forests, has long been denuded and is a difficult farming environment. Through our farmer natural resource management program, lives and livelihoods are being restored, just as the land itself is being healed.

We recently marked the 10th anniversary of the 2004 Boxing Day Tsunami, perhaps the most dramatic natural disaster most of us have ever known.

The tsunami took a massive human toll, and evoked a tremendous outpouring of care and compassion among Australians. In the years that have passed since this disaster, I have seen and heard of lives rebuilt, economic and social life flourishing and a sense of optimism and hope in Sri Lanka and Aceh. To me, this is evidence that it was right to plan and build for the long term, as we have done.

This year we have responded to the ongoing conflict in Syria (supporting the huge number of refugees who flowed into neighbouring Lebanon, Jordan and Turkey) and another conflict in Gaza. We started humanitarian operations in northern Iraq, actively supported our colleagues in Sierra Leone in the face of the Ebola crisis, and launched extensive relief and rehabilitation programs in the Philippines following the tragedy of Typhoon Haiyan.

Both our development programs and our humanitarian responses give me enormous hope, reassuring me that in the face of trouble and tragedy, it is always possible to do something positive and have a real impact.

At a global and national level, my work has been to promote this belief and commitment among our decision makers. I spent a great deal of time working with leaders in government, business and civil society around the G20 agenda, culminating in the Brisbane leaders' summit. I have also spoken out against the Australian Government's cut to Australia's aid program which will impact the lives of some of the world's poorest people. In fact, we will continue to speak out for Australian aid, encouraging Australians to view it with pride and as a program through which they can accomplish extraordinary achievements.

Finally, let me extend my sincere thanks to all of our supporters across Australia. Every year, in spite of setbacks and disasters, I stand in wonder at the difference you make to millions of lives through your loyal commitment to us.





**IT'S POSSIBLE.
PARTNERING WITH
SUPPORTERS AND
COMMUNITIES TO
TRANSFORM LIVES.**

Pauline and baby Florence in Uganda. Pauline was able to deliver her baby safely with the help of a village health worker, trained by World Vision. Photo: Jon Warren/World Vision

OUR PEOPLE





We celebrate our diverse employees around Australia and the passion and skills they bring to enable lasting change for children and communities.

Our staff work with our supporters and partners across all sectors of society (as illustrated by the examples on the following pages), including multilateral organisations and other NGOs, coalitions, governments, corporates and churches – among others – to achieve greater impact.

Most importantly, our staff work with the people we serve all over the world (see also the following pages) and partner with local communities and civil society to ensure child wellbeing is sustained long after we leave.

Read more about our staff and volunteers on pages 70-73.

STAFF PROFILES



Jacob Sarkodee

Manager Youth Segment

Since his youth, Jacob has been passionately involved in our work.

Manning our retail stands and volunteering with Vision Generation and as a youth ambassador led to various roles supporting and speaking with young people. Today, Jacob guides a team focused on connecting with and equipping young Australians to change their world for the better.

Jacob is also a child sponsor, having signed up for sponsorship while in high school.

Melissa Stewart

Senior Adviser – Child Protection and Trafficking in Persons

A globally recognised expert on child protection and trafficking in persons, Melissa is the person who government, business, media and colleagues across the World Vision Partnership call for advice in these areas.

Melissa – who has more than 20 years' policy, programming and advocacy experience – also helps us design and implement child protection programs, and represents World Vision on a range of international expert groups.

In November 2013, Melissa was awarded the Anti-Slavery Australia "Freedom Award", which recognises individuals or organisations working to bring an end to slavery, people trafficking and forced labour.



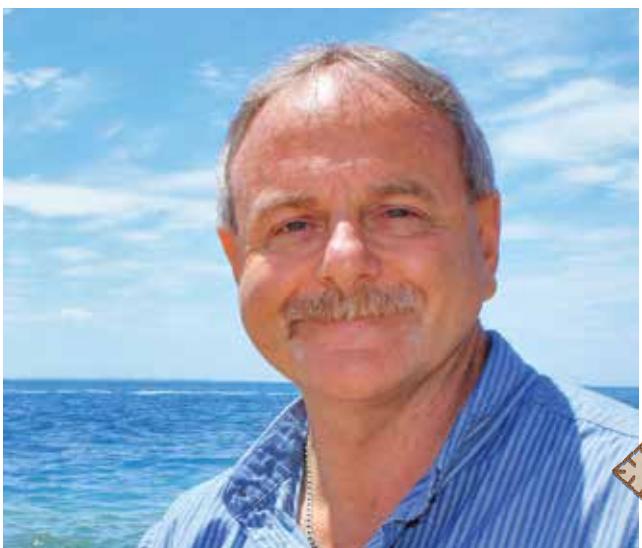
Jamie Tidd

Senior Graphic Designer

For 30 years, Jamie has worked with us to create communications that engage and inspire our supporters.

Over that time he's seen significant change in the way we work, as well as within his own industry – moving from using a drawing board and glue in 1984, to now designing on computer.

Jamie is also a child sponsor and KIDS HOPE AUS mentor, and has participated in the 40 Hour Famine for more than 20 years.



Manuela Lancaster

Feedback and Loyalty Consultant

Over the past 29 years, Manuela has had hundreds, if not thousands, of conversations with our supporters.

Through various roles in our contact centre, Manuela has engaged with supporters eager to help those affected by natural disasters and emergencies, answered questions and shared stories about our work, and helped organise trips to visit sponsored children.

Manuela is also a child sponsor, currently supporting a girl and her community in Chad.



Prasanna De Silva

Manager Field Relations

With over 22 years' experience in international development, Prasanna heads up our field relations team, ensuring the efficiency and effectiveness of our work overseas.

He's worked in Sri Lanka and managed development and advocacy programs in World Vision offices in Mongolia, Laos and Armenia in Operations Director roles.

Prasanna is also chair of "Child Health Now" – World Vision's first global advocacy campaign (see also worldvision.com.au/childhealthnow).

Watch Prasanna talk about how Australian generosity helped to rebuild lives in Sri Lanka following the Asian Tsunami at worldvision.com.au/tsunami-blog.

KIDS HOPE AUS Team

KIDS HOPE AUS trains, equips and deploys mentors from Australian churches to provide support for at-risk primary school children in their local areas.

Mentors spend one hour per week with their child, encouraging them and creating activities that will help build their confidence and self-esteem.

In August 2014, after 10 years of working under the umbrella of our organisation – and having reached more than 10,000 Australian children – KIDS HOPE AUS became a standalone organisation.

See kidshopeaus.org.au for more information.



PARTNERS AND SUPPORTERS

Children in Malawi say thank you to Planetshakers.
Photo: World Vision



Vision Artists

Many artists, both local and international, give up their time and talents to advocate on our behalf to their audiences and fans. Utilising their passion for our work and unique story telling abilities, they help connect supporters with our work. Our Vision Artists include performance poets, musicians, photographers, and installation and YouTube artists.



Churches

Seeking justice for the poor is an integral part of Christian faith and in 2014 we partnered with 34 strategic church partners, with hundreds of other churches joining us for the 40 Hour Famine, Abolitionist Sunday and other opportunities.

Planetshakers Church has supported our work for 15 years, helping see over 5,000 children sponsored, as well as raising over \$200,000 during that time.

In 2014, Planetshakers continued supporting a community in Malawi, raising funds through its annual women's conference to help educate girls. In fact, Planetshakers' partnership with us has been so successful that all the children in this community have now been sponsored and Planetshakers will continue its partnership with us in a new community.

Senior Pastor Russell Evans says partnering with us allows Planetshakers to do more: "Instead of reinventing the wheel, we are able to partner with an organisation that has the existing infrastructure, experience and expertise in outworking the practical mandate of reaching out to those in need."

Supporters and donors

Our supporters and donors give generously to our work in many different ways, including helping vulnerable children through Child Rescue, donating to emergency and other appeals, leaving a gift to us in their Wills, and joining a community group. David Gibbs from New South Wales not only donates his time as an advertising and marketing consultant and sponsors a child; he has also made the decision to leave a lasting legacy by including us in his Will.

Ambassadors

Our ambassadors are well-known Australians who are passionate about global poverty and donate their time to support our work. In 2014 our ambassadors helped us bring attention to the Syrian refugee crisis, the effects of cuts to the Australian aid budget, the Typhoon Haiyan response, and more. This year we also welcomed model and actress, Jessica Gomes as our newest ambassador.



Jessica Gomes visited our work in Peru.
Photo: Ilana Rose/World Vision

Corporates and major donors

Businesses, major donors, trusts and foundations are major contributors to our work, helping us reach more people in more places.

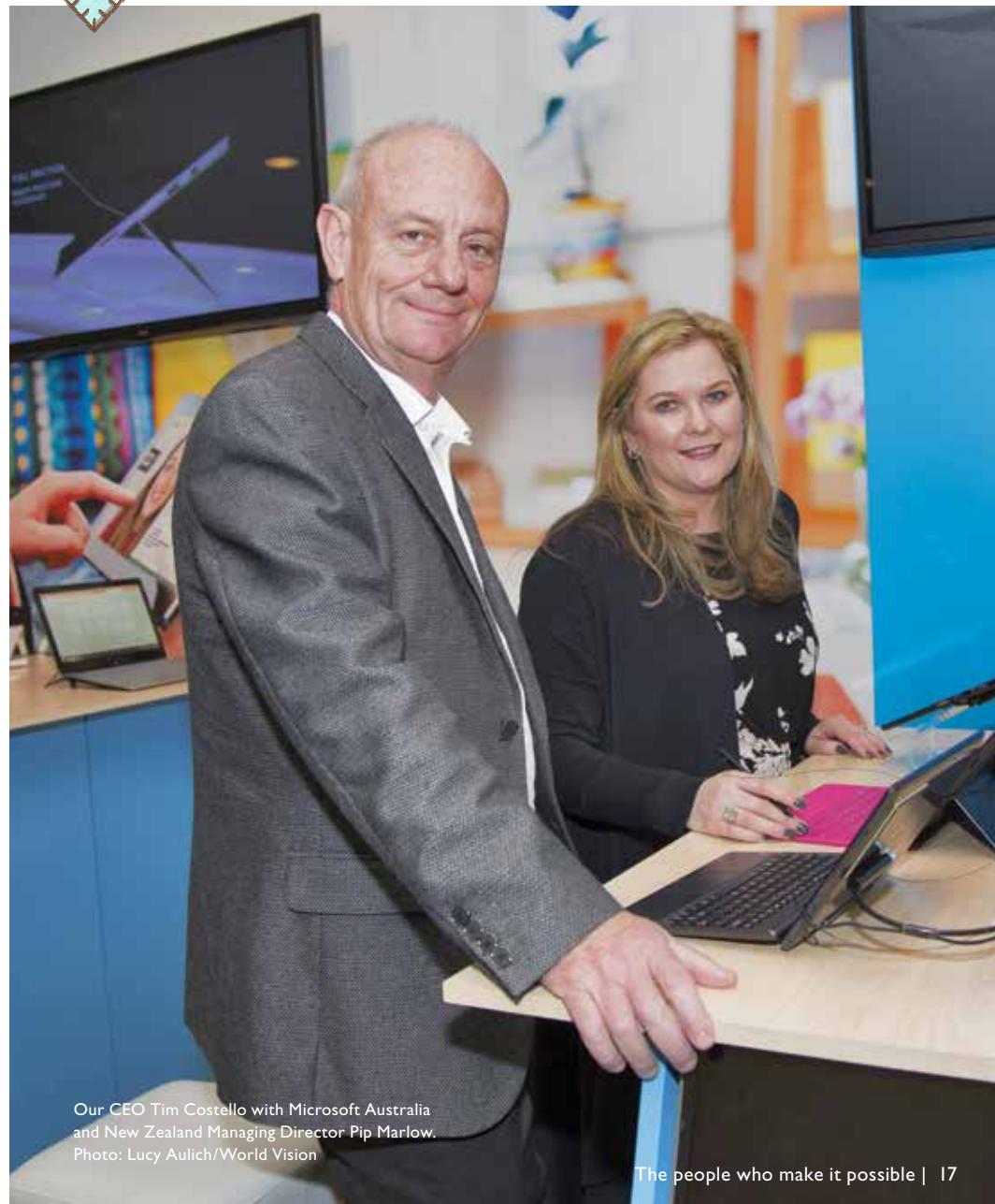
In 2014, we entered an exciting partnership with Microsoft, which involves a \$4 million software donation to help improve the way we work.

Microsoft Australia's Citizenship Manager Anna Howarth says Microsoft is pleased to partner with us in the fight against global poverty.

"We are thrilled to be partnering with World Vision Australia and providing them with the tools they need to support their employees and improve the experience of their Australian supporters," she says.

Microsoft is working with us to help drive innovation in service delivery, including in our retail engagement and through the use of mobile technology to help staff both in Australia and overseas.

As well as the software donation and strategic engagement on projects, Microsoft staff were involved with our Young Mob Leaders Program in 2014, helping Aboriginal young people gain important life and leadership skills. See pages 46-47 for a case study about Young Mob.



Our CEO Tim Costello with Microsoft Australia
and New Zealand Managing Director Pip Marlow.
Photo: Lucy Aulich/World Vision

Business Advisory Councils

Our Business Advisory Councils in Melbourne and Sydney comprise successful individuals who draw on their vast experience within the corporate sector to help drive our organisation forward. The councils help us build professional capacity and also provide advice on connecting with the Australian business community.

Child sponsors

Child sponsors are a vital part of our mission to help children experience life in all its fullness.

In 2014, child sponsors helped transform the lives of 346,610 children and their communities.

Rebecca Neumann, from Western Australia, recently had the opportunity to meet her sponsored child Socherith, when travelling with us to Cambodia.

The experience was unforgettable. "It's a feeling that is so hard to describe," she remembers. "It was so emotional."

While spending time with Socherith, Rebecca visited projects her sponsorship was supporting, including a water plant where the community filters water for drinking and sale, and the local school where children like Socherith are learning about hygiene and their environment.

She also learnt how sponsors like her were helping to reduce child mortality and supporting youth groups to develop the next generation of leaders.

"To be able to see what programs they were running, how far they had come, was great," Rebecca says.



Rebecca Neumann with her sponsored child Socherith. Photo: Lucy Aulich/World Vision

In-kind donors

We partner with businesses, organisations and individuals keen to donate essential items like medical supplies, wheelchairs, textbooks and blankets. In 2014, volunteer organisation Wheelchairs for Kids donated 166 wheelchairs to help ensure children with disabilities in the Democratic Republic of Congo can become and stay mobile, and get the most out of life.



Sarah and her daughter Nanduja, in Uganda, with a wheelchair from Wheelchairs for Kids. Photo: Simon Peter Esaku/World Vision

Advocates

Refusing to accept injustice in the world, thousands of Australians of all ages join with us each year to stand against the policies and systems that continue the cycle of poverty and injustice. In 2014, our advocates spoke up for better child health, campaigned against forced, child and trafficked labour, and engaged with Australian politicians about child labour in government supply chains. See pages 60-61 for a story about how our advocates helped influence the G20.

Governments and multilateral organisations

Through partnerships with the Australian Government, foreign governments and multilateral organisations we are able to increase our reach and help more communities in need.

In 2014, we joined the Africa Climate Smart Agriculture Alliance; a partnership with the African Union, four other international NGOs and four technical organisations, and with strong support from major multilateral organisations.

The Alliance aims to empower six million smallholder farming households to practise climate-smart agriculture by 2021, while supporting the broader target of 25 million households by 2025. It will help these households to adapt practices, and build capacity and skills, to sustainably increase their productivity, livelihoods and resilience in the face of increasing weather-related events.

"The Alliance allows us and gives us the opportunity to join hands in support of the attainment of Africa's vision," says Dr Ibrahim Mayaki, Chief Executive of New Partnership for Africa's Development (a technical body of the African Union).

You can read more by visiting
<http://africacsa.org>.



Farmer Mackswin with his wife and daughter in Zambia.
Photo: Jon Warren/World Vision

Universities and research institutions

We work together with universities and research institutions on a range of issues and activities. For example, in 2014 we collaborated with researchers from the Nossal Institute for Global Health and the University of Melbourne, as well as with other World Vision offices, to produce a report about how our programming is contributing to gender equality outcomes. You can read this report by visiting worldvision.com.au/genderequality.

Schools

Partnering with schools allows us to engage Australians with the issue of poverty from a young age. For example, in 2014, 1,300 schools took part in the 40 Hour Famine to raise funds to fight global hunger. Students from Kimberley College in Queensland travelled to Rwanda to see how their fundraising efforts would make a difference, inspiring the school to raise more than \$100,000.

Lindsay and peers from Kimberley College in QLD visited Rwanda in 2014.
Photo: Greg Bradley/World Vision



THE PEOPLE WE SERVE

“

Before [the] Child Protection Unit's involvement in the community, there were instances where children after sixth or seventh grade would start working as child labourers in the town. But now after World Vision ... has given awareness to the community people, they know the rights of children. ”

Sharmila is secretary of her local Child Protection Unit (CPU) in northern India. CPUs are volunteer groups, which we support, that comprise local people and police who work together to help prevent and address exploitation of children in their communities.



Photo: Daniel Mung/World Vision

“

We used to buy from other nations ... I'm very happy that we [now] buy from our country ... The quality of the product in Aileu is very great. ”

Rafael, a warehouse chief for a supermarket in Aileu, Timor Leste is pleased to be buying from local farmers who we supported to grow better produce.



Photo: Bridie Walsh/World Vision

Photo: Kenneth Kibet/World Vision



“

I am very dedicated in managing the fish ponds. I feed the fishes on time every day. My experience is more and more enriched. I believe we'll have a brighter tomorrow. ”

Deng, who lives in a remote village in China, now has a reliable income and a source of nutritious food through fish farming. Deng received support to enhance his business through our Yunnan Luchun Area Development Program.



Photo: Susan Fong/World Vision

“

The most difficult burden in my life has been lifted [from] my shoulders ... I believe this is the beginning of change in my life. ”

Diana, a mother of 10, now has access to clean water through our Wema Area Development Program in Kenya.



Photo: Ratana Lay/World Vision

“

I want my children to complete school and live better than me. I stopped school in grade seven, which I regret, but for my children I will fight hard until they complete their education. ”

Nelis attended entrepreneurship training as part of our youth empowerment project in her community in Zambia. She now runs a successful business which is helping keep her children in school.



Photo: Eric Imbuwa/World Vision

“

I've learned how to wash my hands and to brush my teeth ... We've also learnt about the most nutritious food ... If I am healthy, I can study better ... Maybe one day I'll be a maths teacher! ”

Jorge, sponsored child, Peru.
Jorge and his whole community are benefiting from child sponsorship, including through agricultural training and learning about health, hygiene and preparing nutritious food.

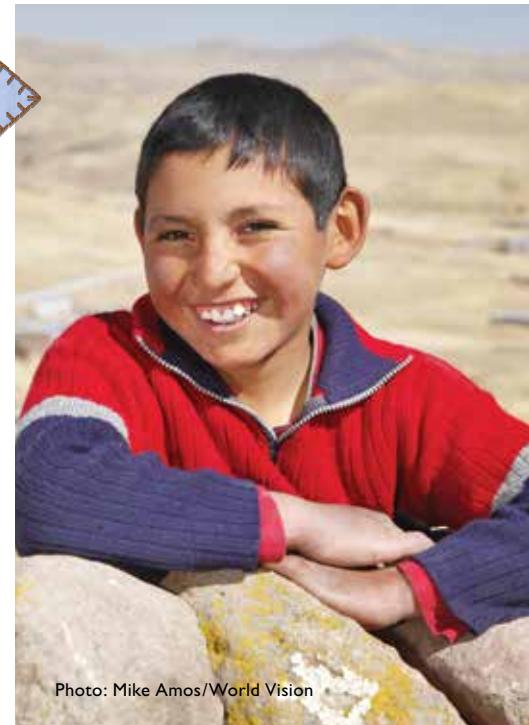


Photo: Mike Amos/World Vision

“

I have committed to breastfeeding my children until they are almost two years old ... I brought them to have vitamin A, and vaccinations in TB, hepatitis B, polio [and] tetanus. ”

Sor, who lives in Cambodia, has learnt about the importance of breastfeeding and vaccinations, as well as the importance of cooking nutritious food, through our Together for Child Health Project.

“

I liked the event because I was given the chance to make new friends. As for my wishes, I would like to have a red car instead of a wheelchair, and take my mum for a drive. ”

Ismayil, 14, took part in an art competition we ran for National Autism Awareness Month in April 2014, in Azerbaijan. The event, which brought together a large group of school children of all abilities, aimed to encourage broader community interaction and socialisation with children with disabilities. Participants were asked to paint their wishes and dreams.



Photo: Farhad Hajiyev/World Vision

VOLUNTEERS



Youth Ambassadors, from left, Madina Mohmood, Jordan Gallagher,
Daniel Ffrench-Mullen, Lucinda Hayman, Georgia Kalyniuk.
Photo: Lucy Aulich/World Vision



21 years and counting!



From the moment we opened the doors to our head office in Burwood, Victoria in 1993, Verna Scott has been one of our most able and willing volunteers.

Verna has provided invaluable assistance to many teams throughout the organisation over that time, giving more than 6,500 volunteer hours! Today, Verna assists our finance team with filing, archiving, photocopying and other ad hoc requests.

A child sponsor for more than 30 years, Verna also had the opportunity to see our work firsthand while volunteering in Kenya and Malawi, and when visiting her sponsored children.

Now 81, Verna continues to come into the office each week, describing us as her "second family".

"The experiences I have had both overseas and in Australia have benefited my outlook [on] life, in caring and sharing with other people," Verna says. "I get so much more back from those I work or am in contact with, than what I feel I give."

A force for change

When the 40 Hour Famine weekend comes around each August, thousands of Australians give something up and fundraise for us.

In preparation for this one weekend, five young people in particular gave up an entire year in 2014 to volunteer as our youth ambassadors and share the importance of our work with other Australians (pictured opposite).

Their year began with a trip to Rwanda where they learnt about the great need that exists, as well as the difference that supporters just like them could make.

They returned to Australia for training in public speaking, creative storytelling and advocacy. They developed a plan for how they would influence their peers throughout Australia, received mentoring and coaching from our staff and prepared for the months leading up to the 40 Hour Famine.

When the time came to share their stories, they were ready. They spoke in many schools and churches, spread the message on social media and gave numerous interviews for local, state and national media. They shared their experiences of seeing poverty firsthand in Rwanda and they inspired their listeners to do more.

"The more I meditate on the time I spent in Rwanda, the more I learn about development and the more I am convinced that the teenagers I meet at schools are having the greatest impact on the lives of people living in poverty around the world," says Youth Ambassador Jordan Gallagher.

"I have so much to be thankful for," reflects another ambassador, Madina Mohmood. "Today I am thankful to be a part of a courageous and hopeful generation that is collectively capable of being a monumental force of change. This weekend [during the 40 Hour Famine] we prove it."

To learn more about the 2014 Youth Ambassadors and their experiences in Rwanda, watch worldvision.com.au/youthambassadors.

See page 72 for more information about our volunteer program.





**IT'S POSSIBLE.
DELIVERING SUSTAINABLE
CHANGE WHILE LOOKING
TO THE FUTURE WITH
RENEWED VISION.**

Deewan, aged 10, is benefiting from our Jaipur Area Development Program in India. Photo: Mike Amos/World Vision

OUR STRATEGY – HOW WE PERFORMED AND WHAT'S AHEAD

In 2012, we set ourselves three long-term goals to achieve by 2021:

- We aspire to contribute to the sustained wellbeing of 20 million children.
- We seek to actively engage one million supporters.
- We aim to grow our income base to \$1 billion.

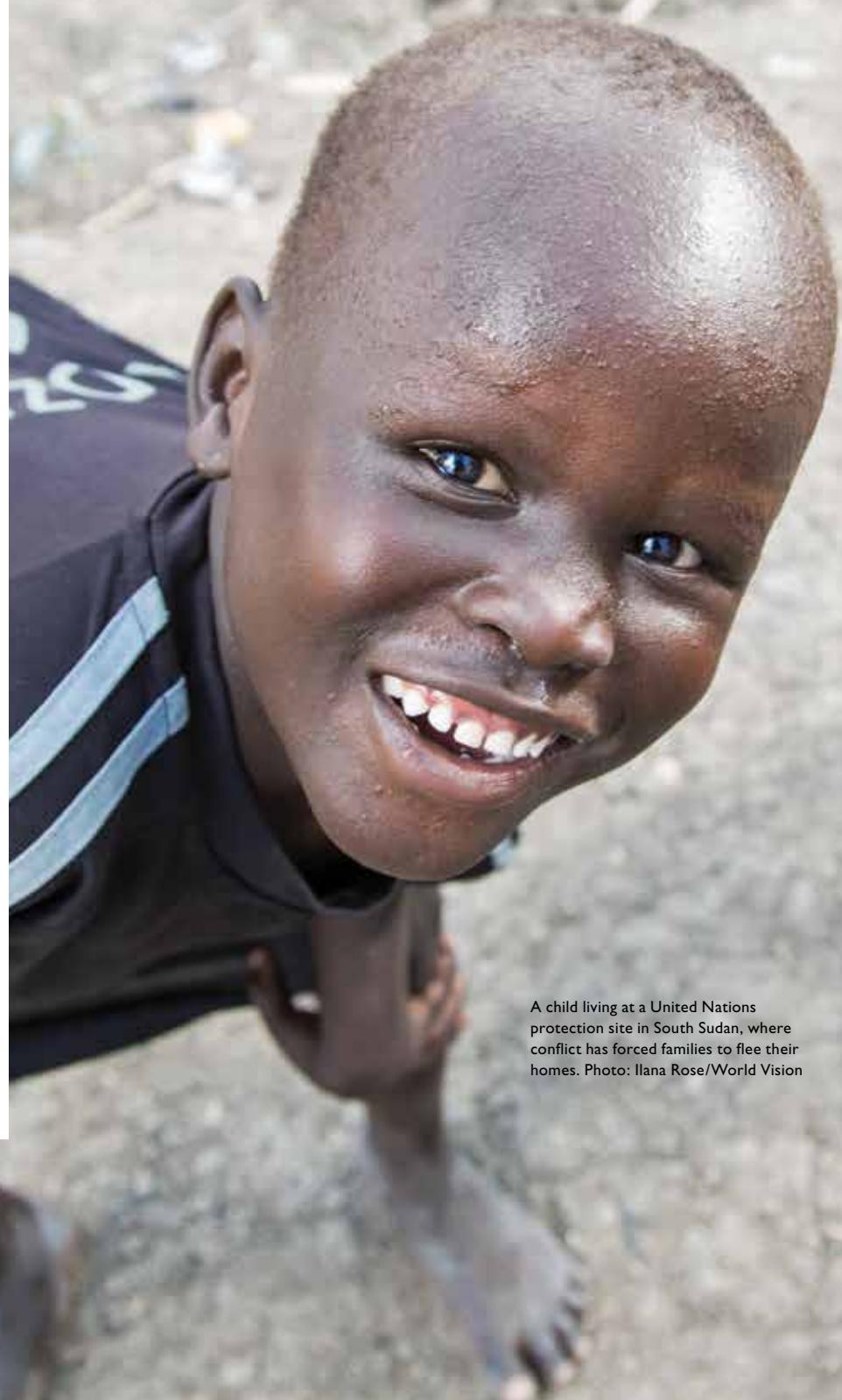
These three long-term goals are aligned with the long-term goals of the World Vision International Partnership.

To work effectively towards those goals, we set ourselves four strategic objectives (priorities) for 2012-2014:

- Transform children's lives
- Partner with Australians to champion the child poverty agenda
- Grow our income for greater field commitment
- Build a sustainable organisation.

The following pages (pages 27-30) contain a summary of outcomes against the four strategic objectives during the 2014 year. More information about these four strategic objectives and the outcomes in 2012 can be found in our 2012 Annual Report at worldvision.com.au/AnnualReport2012. The outcomes from the 2013 year can be found in our 2013 Annual Report at worldvision.com.au/AnnualReport2013.

Information about the strategic objectives we have set ourselves for the next three years – 2015-2017 – can be found on pages 32-33.



A child living at a United Nations protection site in South Sudan, where conflict has forced families to flee their homes. Photo: Ilana Rose/World Vision

HOW WE PERFORMED TO OUR STRATEGY IN 2014

Transform children's lives

Child wellbeing

We are impacting the lives of more children than ever before. In our 2013 report, we estimated that we contributed to the wellbeing of approximately 14.6 million children around the world. Our most recent information shows we have impacted an estimated 45 million children (both directly and indirectly). This is a significant change from the previous year, due largely to our field advocacy work being taken into account, in full, in the calculation. This advocacy work primarily focused on our "Child Health Now" campaign (see worldvision.com.au/childhealthnow): raising awareness of the nutrition and health needs of children aged 0-5 years in our projects around the world. From the most recent review of evaluations carried out on our projects around the world (see our Annual Evaluation Review 2014):

% of projects evaluated in which:	2013	2014
increase in community awareness about relevant issues can be seen	100%	100%
increase in communities' capacity to lift themselves out of poverty can be seen	93%	88%
changes in practices and behaviour can be seen	73%	67%
the highest possible level of change in social, economic, environment or physical conditions is achieved	42%	29%

The 2014 results are significantly lower than 2013 because of difficulties in gathering the relevant data. Accordingly, it is our view that the above does not reflect an accurate picture of the positive impact of our work in 2014. We have in fact seen strong progress in the areas of nutrition, safety and family livelihoods but have been unable to gather the relevant data as evidence for the positive impact of our work. We recognise that we must continue to work harder to improve our evidence-based reporting capacity.

Emergencies and Ebola response

The world faced an unprecedented crisis in the form of an outbreak of Ebola in West Africa, which claimed over 5,000 lives in 2014. World Vision Sierra Leone worked with the World Health Organization and other agencies in efforts to halt the spread of the deadly virus. In Australia, we raised over \$1 million through a public appeal and from a government grant to support this work. The funds were used for activities including distribution of protective clothing, training of health workers, implementation of community-based Ebola awareness and prevention programs, and the provision of child protection and psycho-social support for children who had lost their parents to Ebola.

2014 also saw us respond to five concurrent "category three" humanitarian emergencies. See pages 56-59 for more detail on this.

Investment in priority areas/adaptive development

In 2014, we made strategic investments to adapt our fundraising and development approaches to meet the challenges of an increasingly complex and fast-changing landscape. We have been developing and testing new sources of income which will support urban programs in areas including community partnerships, youth-at-risk training and life-skill coaching.

We have also leveraged the success of Farmer Managed Natural Regeneration (see fmnrhub.com.au) as a low-cost intervention method for quickly restoring unproductive farmlands, grazing lands and forests to become productive again into a way of creating economic development opportunities. We are investing \$150,000 to pilot an initiative in East Sumba, Indonesia, to go beyond the restoration of unproductive land towards acceleration of economic value-add, helping subsistence farmers develop more resilient livelihoods.

HOW WE PERFORMED TO OUR STRATEGY IN 2014

Partner with Australians to champion the child poverty agenda

Campaigns

Engaging the Australian public to advocate for real change in the fight against global poverty continued to be a core part of our work.

In 2014, through campaigns like Abolitionist Sunday, our 40 Hour Famine and initiatives with Micah Challenge, we encouraged thousands of Australians to advocate for more and better aid, say “no” to the exploitation of people for profit, stand against child labour, and seek better support for maternal and child health.

Partnership with corporates

Increased corporate interest in the creation of shared value presented us with opportunities to deepen our engagement with our corporate partners. For example, Jetstar through its StarKids program has been our long-term partner in contributing to improved child wellbeing. More recently, Telstra has provided us with the opportunity to leverage its technical expertise and business networks for co-creation of real-time solutions. Similarly, we have entered into an exciting partnership with Microsoft. In 2014, we also continued partnerships with a number of other corporates and worked with our Business Advisory Councils. See pages 16-19 for more information about our partnership with corporates.

“It’s good for the community, it’s great for our customers, tremendous for our team and it’s really good for business.”
– David Hall, Jetstar Australia and New Zealand CEO.

Partnership with churches

As a Christian organisation, we value our relationship with churches. We have worked hard to build long-term strategic partnerships with many churches, an example being our partnership with Planetshakers, which is profiled on page 16. Additionally, in 2014, Hillsong Church globally donated over \$425,000 towards our response to Typhoon Haiyan in the Philippines. Many other churches partnered with us to sponsor children, support communities and take part in advocacy initiatives. Strong partnerships also enabled us to mobilise our other church partners to raise funds for the humanitarian crisis in Northern Iraq where minorities, including Christians, were persecuted in 2014.

“Instead of reinventing the wheel, we are able to partner with an organisation that has the existing infrastructure, experience and expertise in outworking the practical mandate of reaching out to those in need.”
– Russell Evans, Planetshakers Senior Pastor

G20 advocacy on creating markets for child-friendly growth

We were actively involved in advocating for the G20 to address child labour in their combined US\$10-15 trillion a year public procurement market. Our CEO chaired the Civil 20 (C20) which recommended that the G20 urgently adopt a common approach to addressing child labour in public procurement. This recommendation was subsequently included in the G20 Employment Agenda which we hope will be progressed further at the next G20 meeting in Turkey. You can read more about our advocacy in this area on page 61.

See pages 16-19 for more information about our supporters and partners.



In Sri Lanka, we are working to ensure that children like Stella and her brothers Jeevaraj (left) and Stephan have access to clean drinking water.
Photo: Gary Dowd/World Vision

HOW WE PERFORMED TO OUR STRATEGY IN 2014

Grow our income for greater field commitment

Our income for the year was over \$380 million, representing an increase of \$10 million from the previous year. While child sponsorship income increased only marginally from \$189 million in 2013 to \$193 million in 2014, income growth from other sources such as non-government grants, emergency relief, appeals and cash donations remains strong; increasing by 15% from 2013 to \$91.3 million in 2014.

Our performance in securing grants was pleasing as we were awarded over \$67.9 million in grants, an increase of 16% on last year's results. We have continued to secure the support of the Australian Government on key grants and we acknowledge the trust that the Australian Government and other donors place in us. In 2014, we focused on diversifying our relationship with grant donors and growing and deepening our relationships. Key partnerships secured in 2014 included EuropeAid, the World Agroforestry Centre (ICRAF), UNICEF, the UN Refugee Agency (UNHCR), the UN Food and Agriculture Organization (FAO) and the Gates Foundation.

The future for grant income is less certain given the recent announcements by the Australian Government regarding the aid budget.

In 2014, we were able to commit over \$263 million to our field programs. See pages 78-93 for more information about our income and on how funds were used in 2014.

Build a sustainable organisation

2014 saw us take a significant step to set ourselves up for further success. We made the decision to more deliberately place our supporters at the heart of everything we do and ensure we better understand and engage with the 400,000+ Australians who want to work with us to positively impact the lives of the most vulnerable around the world. We established "Project Supporter" and very quickly set about identifying changes to how we operate. We established a structure that focused on the whole experience of each supporter group and appointed a Chief Supporter Officer. This change to "supporter centricity" has also seen us work on our processes around supporter experiences to ensure that we improve our understanding of the goals of our supporters and meet, or even exceed, their expectations. Throughout this time, we have still been able to continue to deliver impact through our work and increase our staff engagement. See page 70 to learn more about staff engagement.

Our clearer focus on our supporters has seen us continue to work on deepening relationships through partnerships. We have established an exciting relationship with the Asian Football Confederation (soccer) to champion improved nutrition through sports and development. We are also looking at new innovative ways of responding to changing expectations among our supporters.

Through our Pacific & Timor Leste Office we are working in an integrated way with our partner offices in New Zealand, Vanuatu, Solomon Islands, Papua New Guinea and Timor Leste, running shared programs and joint field visits.

The health of mothers and babies in the Solomon Islands' Makira Province has improved through maternal and child health and nutrition project. Photo: World Vision staff



OUR STRATEGIC OBJECTIVES FOR FY15-FY17

Our strategic objectives for FY15-FY17 focus on continuing towards our overall goal of sustained child wellbeing. The objectives were approved by our Board in September 2014, along with relevant measures (key performance indicators), ahead of the start of FY15. In setting these objectives, we adopted a new performance framework that provides an added perspective on the objectives:

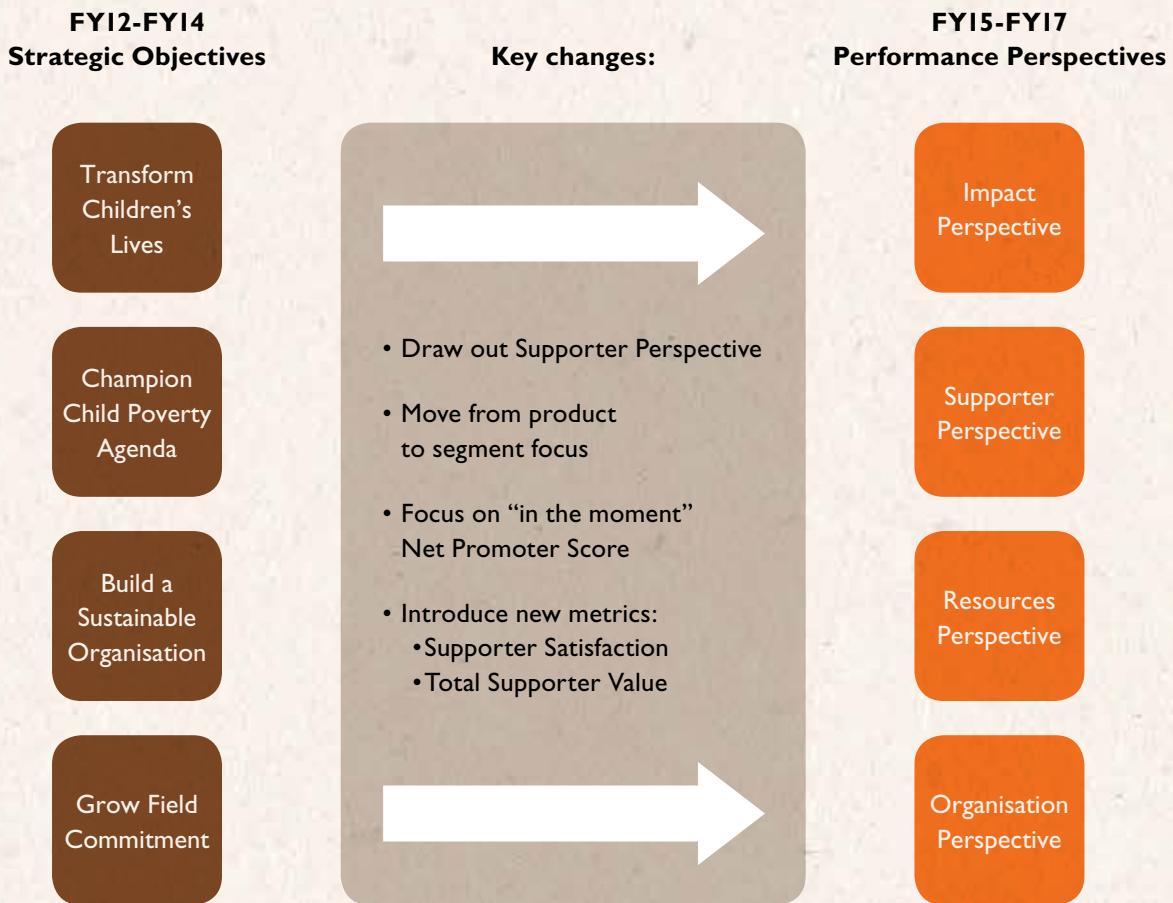
Perspective:	Strategic Objective:	Measures:
Impact Perspective	I. Contribute to children's wellbeing <i>(In our FY12-FY14 Strategic Plan, this was expressed in two strategic objectives: "Transforming children lives" and "Championing the child poverty agenda")</i>	<ul style="list-style-type: none"> Number of children we reach through direct programming and who experience improved wellbeing from our advocacy activities Improvements in child wellbeing targets and reporting quality
Supporter Perspective	2. Deliver to our supporters experiences that inspire and delight	<ul style="list-style-type: none"> Supporter Satisfaction Net Promoter Score
Resources Perspective	3. Grow resources <i>(In our FY12-FY14 Strategic Plan, this was expressed as "Grow field commitment")</i>	<ul style="list-style-type: none"> Revenue growth across donations from individuals, grants from governments and multilateral organisations and support from corporates, churches and communities New business income
Organisation Perspective	4. Retain, engage and develop our people 5. Demonstrate effective stewardship <i>(In our FY12-FY14 Strategic Plan, this was expressed as "Build a sustainable organisation")</i>	<ul style="list-style-type: none"> Employee engagement Cost to income Net funds to the field

While the above shows that our FY15-FY17 Strategic Objectives have some resonance with our FY12-FY14 Strategic Objectives, there are some key changes.

For FY15-FY17, we have adopted a new key Strategic Objective: "Deliver to our supporters experiences that inspire and delight" which we will view through a "Supporter Perspective". Adopting this is about pursuing our overall goal of sustained child wellbeing through the discipline of putting supporters at the heart of everything we do. We call this being "supporter-centric". Sustained child wellbeing remains our overall goal but we choose to do this by delivering an enriched experience to our supporters.

OUR STRATEGIC OBJECTIVES FOR FY15-FY17

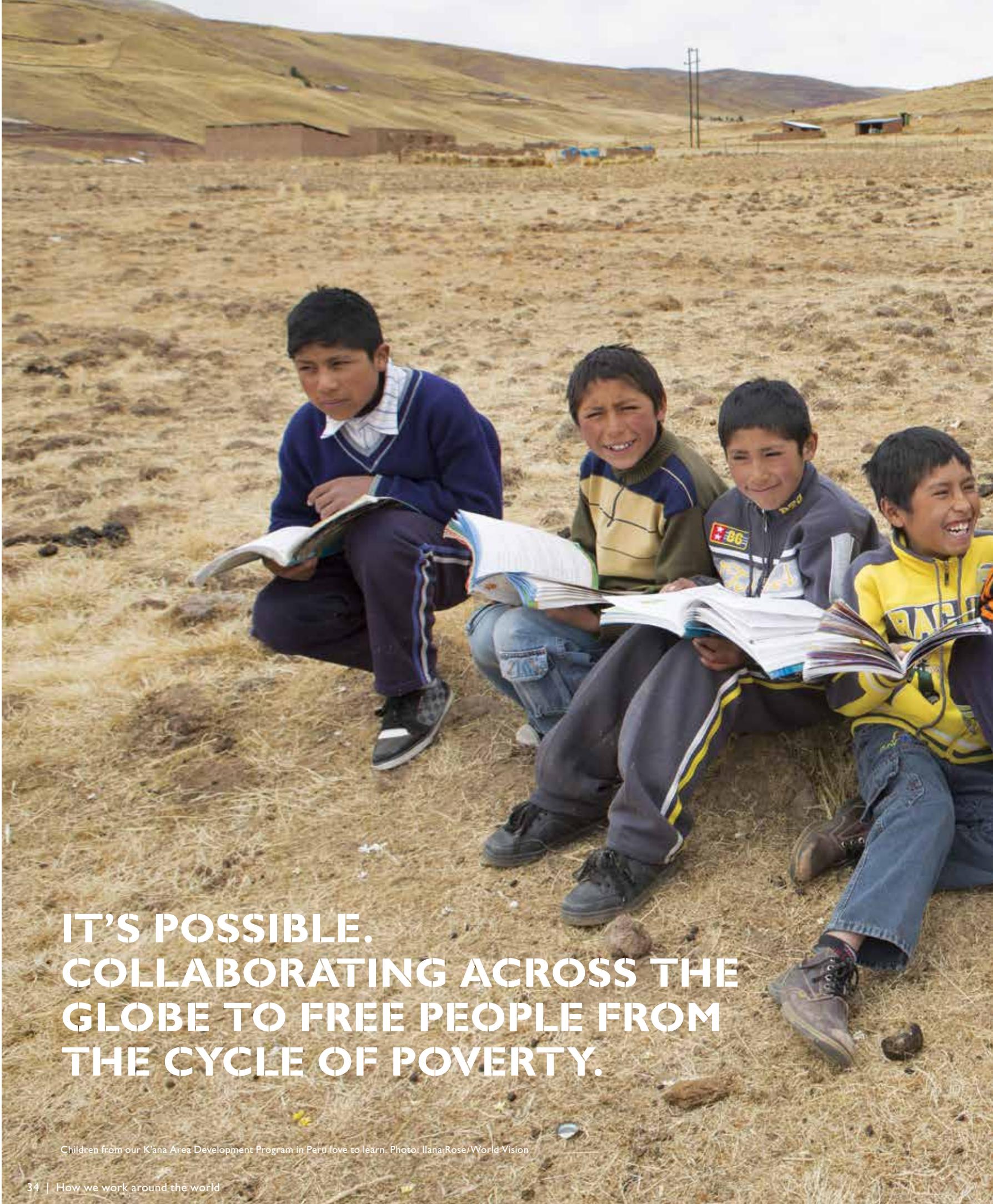
The diagram below illustrates the key elements in the shift in our emphasis.



The adoption of a supporter perspective means that we will measure performance by supporter groups rather than by income sources. In addition, we will also place greater focus on three key indicators:

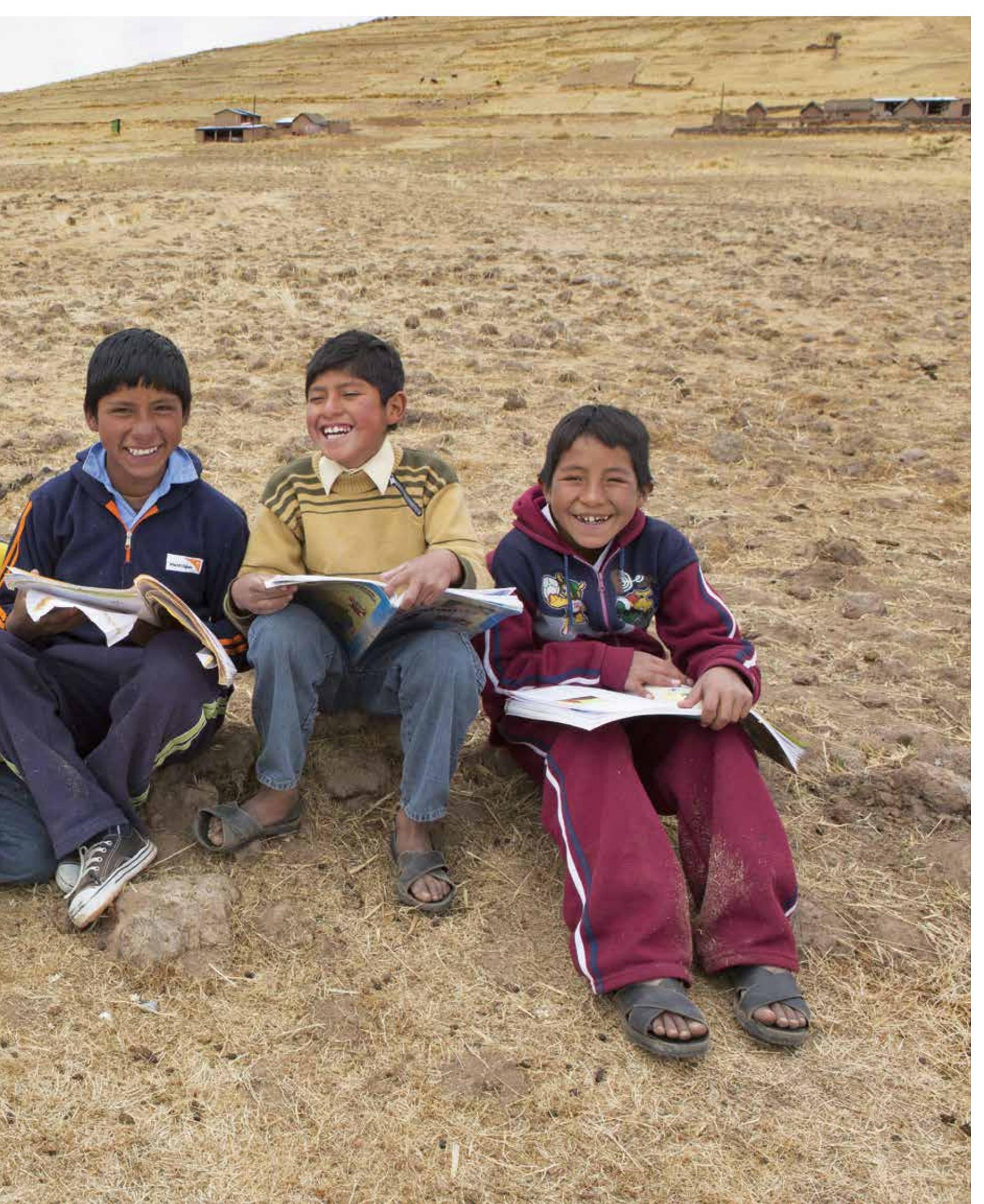
- Net Promoter Score – the extent to which supporters are likely to recommend us to a friend or colleague;
- Supporter Satisfaction – the extent to which supporters are satisfied in their engagement with us; and
- Total Supporter Value – the value of contributions supporters make over a five-year period to us.

The above indicators will help us better understand our performance in engaging our supporters and the improvements we can make towards sustained child wellbeing.



**IT'S POSSIBLE.
COLLABORATING ACROSS THE
GLOBE TO FREE PEOPLE FROM
THE CYCLE OF POVERTY.**

Children from our K'ana Area Development Program in Peru love to learn. Photo: Ilana Rose/World Vision



WORKING AND FUNDING THROUGH THE WORLD VISION INTERNATIONAL PARTNERSHIP

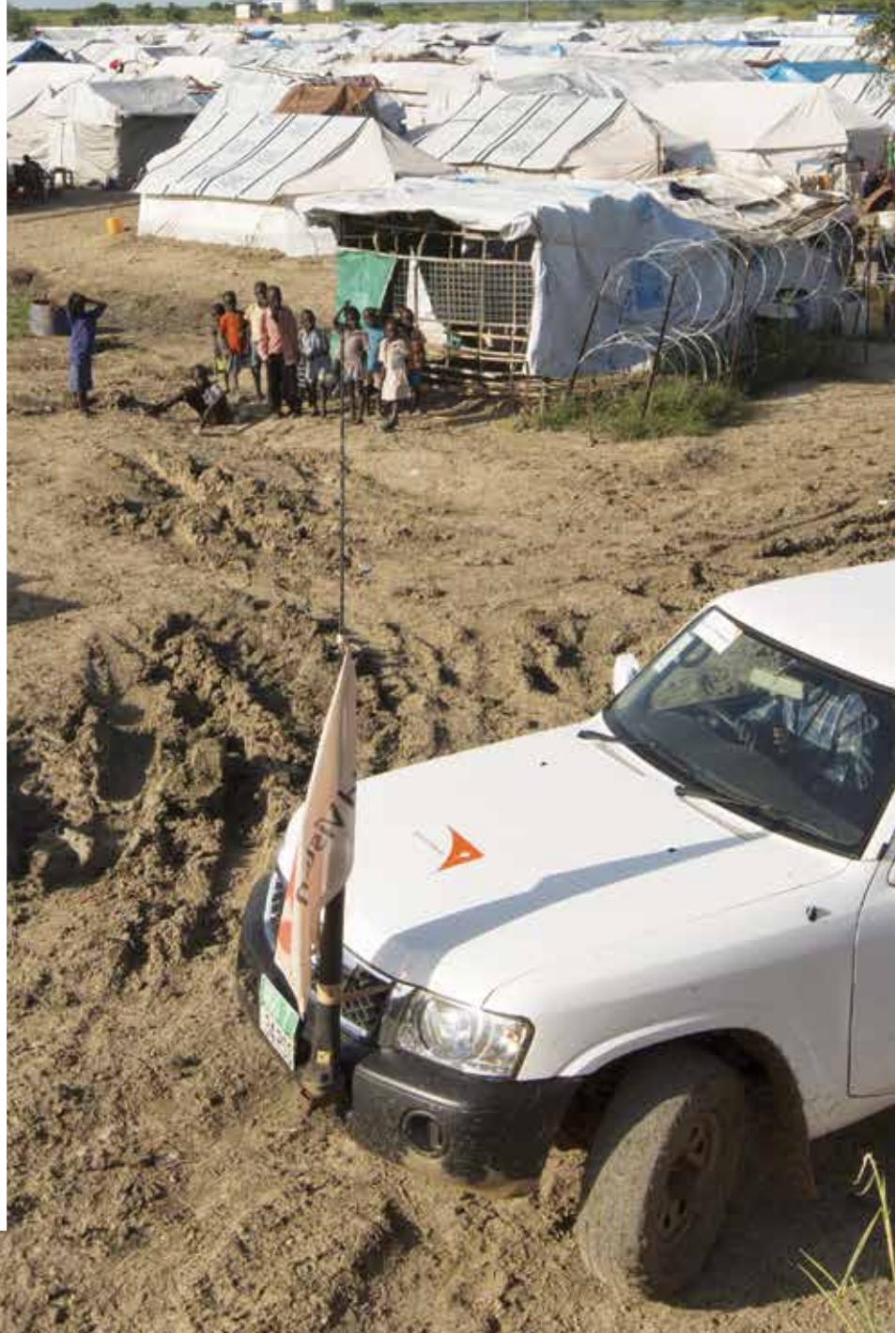
Our aid, development and advocacy projects overseas are implemented through the World Vision International Partnership. The Partnership comprises offices operating in more than 90 countries. Within the Partnership, we are referred to as a “Support Office” because our principal function is to provide support (in particular, funding) to the National Offices located in countries where World Vision conducts projects. The Partnership also includes Regional Offices that coordinate projects across specific geographic regions.

Typically, we receive a proposal from a National Office to provide support for a project or Area Development Program (ADP). ADPs, supported through child sponsorship, take place in defined geographical areas and consist of sectoral projects that address the specific challenges facing children in communities. A Regional Office is involved if the project spans countries in a region. We assess the proposal and decide whether or not to support it. This determination occurs through a structured committee process and is based on criteria such as strategic fit, relevance of the proposed response, organisational capacity and budget requirements. If we agree to support the project and provide funding for it, we work with the relevant National Office to design the project from the outset (involving the community also) and monitor and evaluate it as the project progresses. We also manage the fundraising and marketing activities required to generate financial support for the project. We share mutual accountability with National Offices for meeting promises to communities and donors, using resources efficiently, and for project design, monitoring and evaluation.

Where appropriate, for example in our projects in Australia, we work directly with communities to implement activities. In this context, our role and function is similar to that of a National Office in the Partnership.

On the opposite page, we illustrate how funds raised in Australia reach the communities we work with.

In this camp for the internally displaced in South Sudan, World Vision is supporting thousands of people who have been affected by conflict. Photo: Ilana Rose/World Vision



HOW FUNDS RAISED IN AUSTRALIA REACH COMMUNITIES WE SERVE

Funds raised for all our projects are placed in term deposits with A-rated banks in Australia. At all times an amount equivalent to eight weeks' operating expenditure is retained as a working capital reserve.

Funding for our projects in Australia provided by us directly to these projects.

Funding for our projects overseas transferred by us to the World Vision Partnership Treasury Office (managed by World Vision International which is the "global centre" of the Partnership*) which holds the funds on our behalf. On our instructions, the Treasury Office transfers funds to the relevant National Offices in the countries in which the relevant projects are located.

The above is illustrated in the diagram opposite.

* More information about World Vision International can be found at wvi.org.

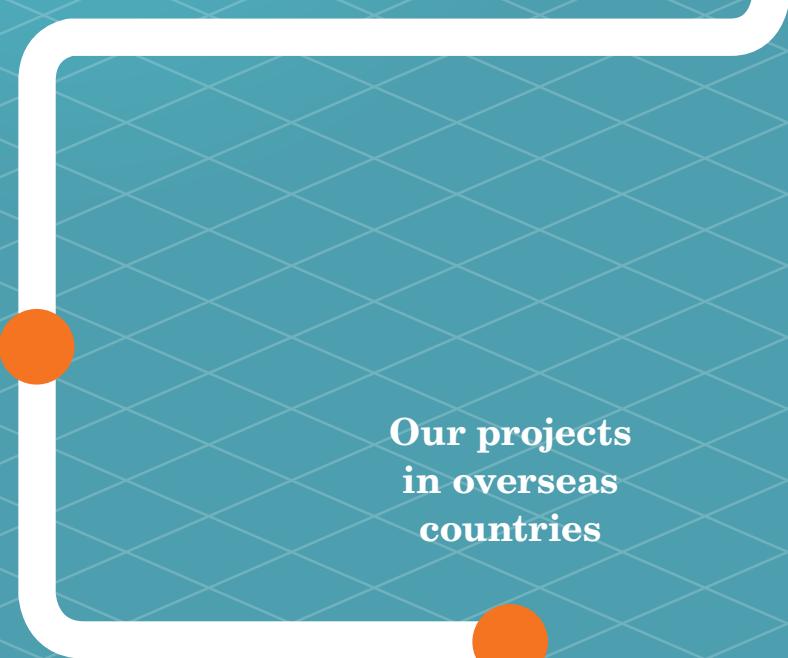
World Vision Australia



Our projects in Australia

World Vision Partnership Treasury Office

World Vision National Offices in overseas countries



Our projects in overseas countries

OUR PROJECTS: ASIA AND THE PACIFIC

Total projects
in region

282

2013

307

Area Development
Programs (ADPs)

68

2013

70

Other community
projects¹

214

2013

237

DFAT, multilateral
and other grants²

115

2013

121

Child sponsorships

**95,
375**

2013

99,700

Australia

Total projects
in region

12

2013

11

Bangladesh

12

Cambodia

27

China

8

Timor Leste

15

India

29

Indonesia

22

Japan

1

Laos

16

Mongolia

11

Myanmar

20

Nepal

7

North Korea

1

Papua New Guinea

18

Philippines

11

Solomon Islands

23

Sri Lanka

16

Thailand

7

Vanuatu

8

Vietnam

20

East Asia region

6

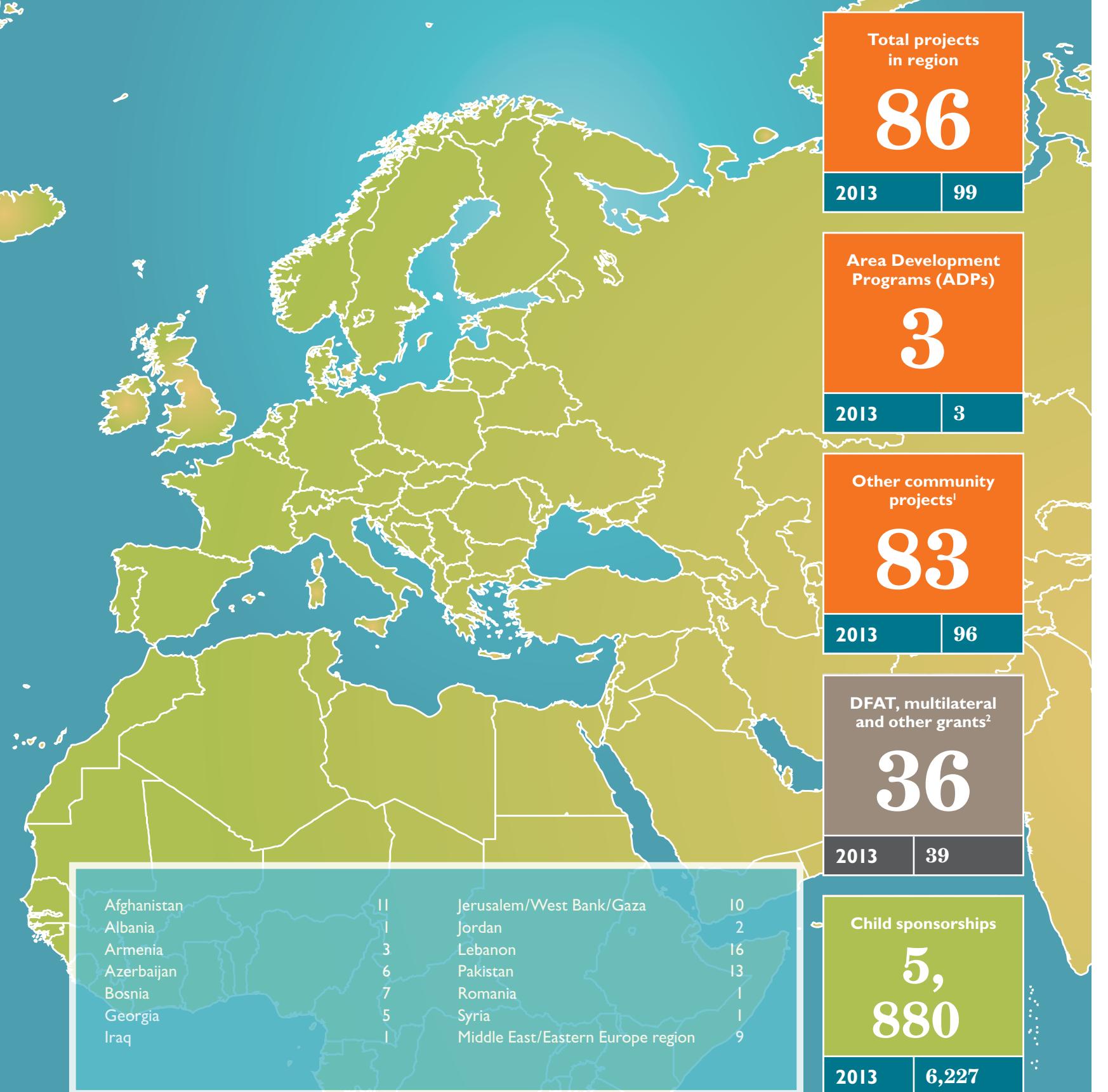
South Asia Pacific region

4

1. In our FY13 Annual Report, this category was titled "Non-ADP projects" and figures excluded AusAID (now integrated into the Department of Foreign Affairs and Trade) and multilateral funded projects.

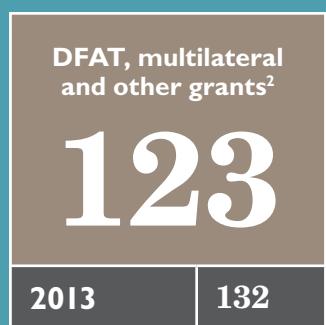
2. In our FY13 Annual Report, this category excluded non-government grants.

OUR PROJECTS: MIDDLE EAST AND EASTERN EUROPE



¹ In our FY13 Annual Report, this category was titled "Non-ADP projects" and figures excluded AusAID (now integrated into the Department of Foreign Affairs and Trade) and multilateral funded projects.
² In our FY13 Annual Report, this category excluded non-government grants.

OUR PROJECTS: AFRICA



Angola	3	Senegal	12
Burundi	7	Sierra Leone	1
Central African Republic	2	Somalia	15
Chad	4	South Africa	8
Democratic Republic of Congo	16	South Sudan	18
Ethiopia	25	Sudan	10
Ghana	6	Swaziland	10
Kenya	41	Tanzania	25
Lesotho	12	Uganda	27
Malawi	15	Zambia	19
Mali	7	Zimbabwe	19
Mozambique	12	Africa (region)	3
Niger	2	East Africa region	5
Rwanda	15	Southern Africa region	7

1. In our FY13 Annual Report, this category was titled "Non-ADP projects" and figures excluded AusAID (now integrated into the Department of Foreign Affairs and Trade) and multilateral funded projects.

2. In our FY13 Annual Report, this category excluded non-government grants.

OUR PROJECTS: LATIN AMERICA AND CARIBBEAN



International



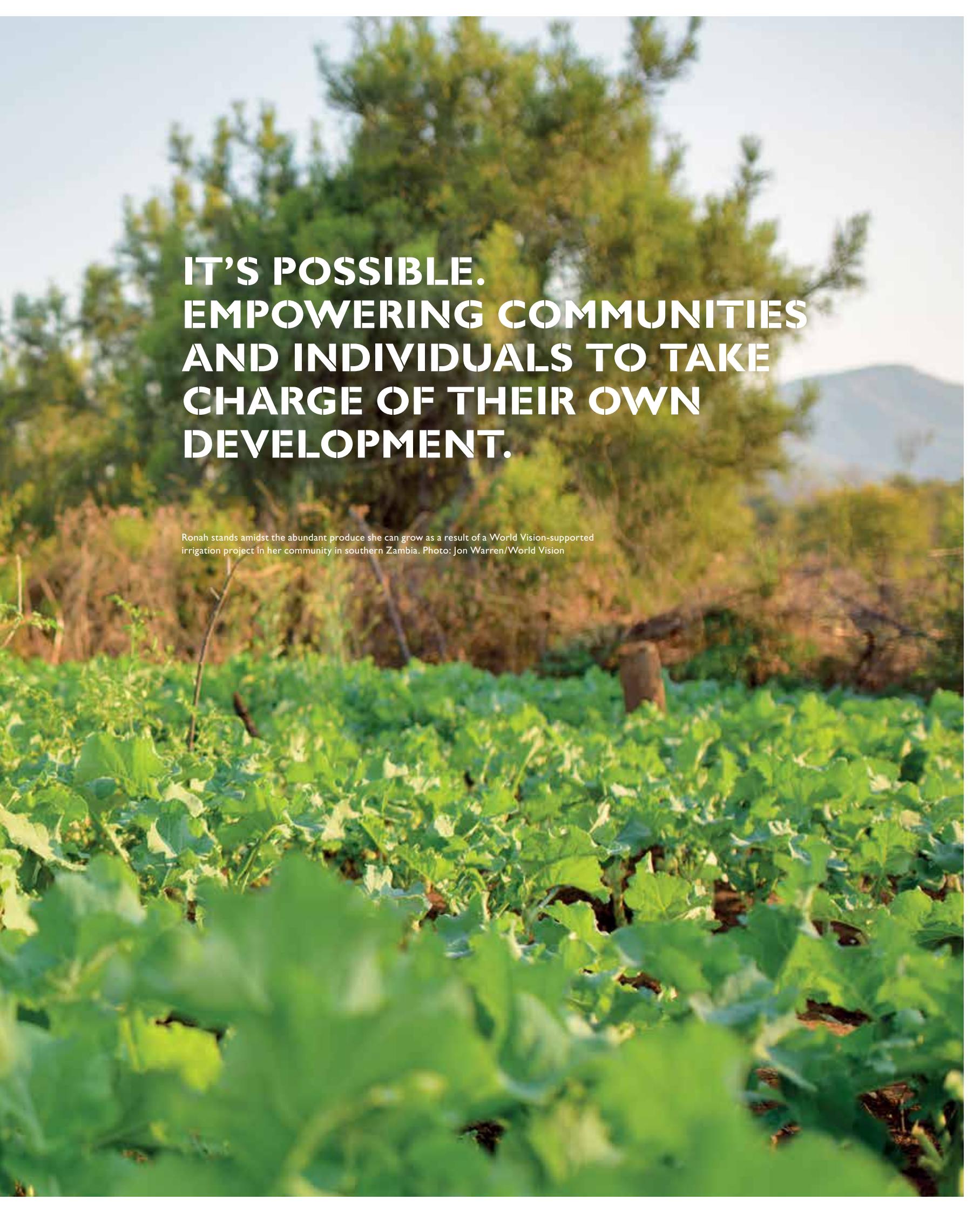
Bolivia	11	Honduras	9
Brazil	13	Nicaragua	12
Colombia	5	Peru	12
Ecuador	6	Latin America region	3
Guatemala	7		
Haiti	6		



¹ In our FY13 Annual Report, this category was titled “Non-ADP projects” and figures excluded AusAID (now integrated into the Department of Foreign Affairs and Trade) and multilateral funded projects.

² In our FY13 Annual Report, this category excluded non-government grants.





**IT'S POSSIBLE.
EMPOWERING COMMUNITIES
AND INDIVIDUALS TO TAKE
CHARGE OF THEIR OWN
DEVELOPMENT.**

Ronah stands amidst the abundant produce she can grow as a result of a World Vision-supported irrigation project in her community in southern Zambia. Photo: Jon Warren/World Vision

SECTORAL SNAPSHOT: EDUCATION AND LIFE SKILLS

Education creates opportunities.

When children and communities have access to quality education and can attain functional levels of literacy, numeracy and essential life skills, they have an opportunity to seek a better life for themselves and break out of the cycle of poverty.

We focus on the needs of a child at all stages of their lifespan, including during the years of early childhood (0-5 years), basic education (6-11 years) and youth (12-18 years). We work with parents, teachers, children, community members and local partners to help ensure that:

- children can read and write and use numeracy skills;
- children have access to and the ability to complete education;
- children can make informed choices and know how to protect themselves;
- children have the confidence and skills to actively participate in society; and
- young people are ready for economic opportunities.

In addition, we work to remove barriers to education, including geography, discrimination due to gender and disability, and lack of resources.

In 2014, 222 of our projects, in 50 countries, addressed education.

Through child sponsorship, thousands of children in Mozambique are gaining improved access to education. Photo: Jon Warren/World Vision



100%

of families

with children aged 0-5 years in Punmu and Parnngurr in the Pilbara, Western Australia, and 90% of families in nearby Jigalong, attended playgroup in 2014. Access to quality early childhood care and education improves the health and wellbeing of children and is a critical foundation for their development.

10,000+

Australian supporters

attended 50 "Girl Rising" film screenings throughout the country to be inspired about the power of education to change the world and the importance of women, men, girls and boys having equal status, rights and opportunities.

2,600+

children affected by Typhoon Haiyan

attended learning centres set up by World Vision in conjunction with the Philippines Government. To help affected children continue their education, more than 6,500 learning kits were provided to students and 335 to teachers. Daycare centre kits were also distributed, benefiting more than 3,000 children.

380

members of Edge Church

in South Australia and Victoria took part in the church's Ride for Hope event in May 2014, raising \$20,000 for school infrastructure projects in Zimbabwe. Edge is one of our strategic church partners, having supported our work in Zimbabwe for eight years.

142

teachers

and 105 students and 306 leaders from civil society organisations in Peru attended training on improving educational quality in local schools, as part of our Citizen Voice and Action work.* See page 61 for more about Citizen Voice and Action.

3.5+

million children in India

were able to watch their favourite television shows and Bollywood movies with subtitles in a local language, helping to reinforce reading skills in an innovative project – one of dozens being funded through All Children Reading, a partnership between us, World Vision US and the Australian and United States governments – which has the potential to reach 13.3 million children in India aged 6-14.

84%

of children

in grades three to seven, taking part in the Pader Improved Education Project in Northern Uganda can now identify letters of the alphabet; up from 19% in 2012. Primary school pass rates have also increased by 9%.*

79,943

educational textbooks

were donated by Pearson Australia in 2014 for use in schools in the communities where we work. This helps ensure children and teachers have quality resources to learn and teach from.

CASE STUDY: EDUCATION AND LIFE SKILLS



Mark Thorne and his sister Natasha (opposite) have both taken part in our Young Mob Leaders Program. Photo: Ilana Rose/World Vision

Youth leadership program helps young people thrive

Building pride in culture and readiness for opportunities, as well as a positive sense of identity, are critical to supporting young Indigenous Australians to reach their full potential, and counteract the effects of a long history of discrimination and disadvantage in their communities.

Our Young Mob Leaders Program supports the empowerment of young Aboriginal people to confidently engage with the world around them and develop strong connections within and across their communities.

Young Mob has grown from a public-speaking development activity into a comprehensive program which provides leadership development opportunities for Aboriginal youth – building resilience, life skills and reinforcing cultural knowledge systems within their communities.

In 2014, we partnered with Guardian Australia to publish our work within Australia, including the Young Mob Leaders Program, on its development news website. You can find out more at theguardian.com/walk-with-us.

1

ZEST Award

for Outstanding Project in an Aboriginal Organisation/Group – was presented to our Young Mob Leaders Program in February 2014 for its efforts in capacity building, advocacy and leadership.

The ZEST Awards are presented annually and recognise excellence in the community sector in Greater Western Sydney.

8

Young Mob leaders

were supported by us to attend the “World Vision Cup” in Recife, Brazil, in May 2014 – an event which brought together young people from around the world for cultural exchange and youth advocacy on a global platform.

31

youth from four schools

attended a Young Mob cultural retreat in November 2014, featuring workshops aimed at building resilience and life skills, as well as cultural activities such as weaving, spear-making and ceremonial practices.



Natasha Thorne. Photo: Bridie Walsh/World Vision

Young Mob rising

Young Mob leader Natasha Thorne is among a growing number of female youth role models leading the way in Indigenous communities across Sydney and New South Wales.

After participating in the Young Mob school curriculum, Natasha completed a traineeship with Qantas and secured full-time employment with the airline's regional affiliate, QantasLink. During NAIDOC Week 2013, Qantas presented her with a reconciliation award.

“I felt very proud that day to represent my culture,” says Natasha, who credits the Young Mob Leaders Program for giving her the confidence to pursue the Qantas traineeship and for laying the foundations for her ongoing success.

“Young Mob has put me on the path

I am [on] today ... without this program I don't know where I'd be.”

Since QantasLink, Natasha has moved on to a job with workplace training and recruitment agency Maxima in its specialist Indigenous Employment Programs Team, which facilitates employment and training opportunities for Indigenous Australians.

In 2014, Natasha also worked with us on the development of our Youth Advisory Council – which will include two Indigenous Australian representatives.

Now recognised as a role model in both her community and her workplace, Natasha is keen to use her experiences to motivate other youth: “My hopes and dreams for the future [are] to ... help them fulfil their dreams, help them with their self-confidence ... and hopefully have an impact on them to achieve something in their lives.”

“Young Mob’s changed my life for the better ... I’m stronger now in, like, who I am with my culture.” – **Denise attended a Young Mob cultural retreat.**

“We’re a long-time supporter of World Vision Australia and I wanted to see firsthand how the programs we help support are positively impacting the lives of kids in Western Sydney. I had a wonderful evening interacting and sharing life stories with the 45 teens on the camp. The three-day camp was about leadership and importantly, celebrating Indigenous culture. I wish I could have stayed longer.” – **David Hall, Jetstar Australia and New Zealand CEO attended a Young Mob cultural retreat.** Jetstar supports our work in Australia as well as in many of the countries it flies to.

SECTORAL SNAPSHOT: WATER, SANITATION AND HYGIENE (WASH)

The UN estimates that one in 10 people globally (748 million) lack access to safe water and 2.5 billion lack basic sanitation.

Safe water, appropriate sanitation and good hygiene are not only basic needs but underpin progress in many other areas, including education, economic development, food security and health.

Our work in WASH supports the construction and rehabilitation of water sources and building toilets, as well as educating people about good hygiene. Perhaps most importantly, it empowers communities to advocate for, build and maintain their own water supply and sanitation facilities. Our WASH work includes:

- increasing equitable access to sustainable and safe water supplies and improved sanitation for poor and vulnerable communities and children;
- improving hygiene knowledge and practices for poor and vulnerable communities and children; and
- empowering communities and local government (duty bearers) to facilitate sustainable WASH interventions.

You can read more about our work in WASH at worldvision.com.au/WASH.

Sylvia, aged 11, washes her hands with clean water from a tank that World Vision helped to build at her primary school in Uganda.
Photo: Simon Peter Esaku/World Vision



6,793

students,
from 10 schools

in Mongolia that we support, took part in celebrations for Global Handwashing Day, World Toilet Day and World Water Day.

12.6km

of piping installed

by World Vision in Azraq camp in Jordan helped meet the water and sanitation needs of Syrian refugees. Seven water tanks, 2,000 toilets and shower spaces, 39 tap stands, 156 taps and four water stations were also built.

1,074

people
in Timor Leste

built their own toilets as a result of Community-Led Total Sanitation triggering events organised through our WASH project in the Baucau district.* The approach teaches communities about the negative impacts of open defecation.

20,504

people have adopted improved hygiene practices

and 16,803 people now have handwashing facilities in their homes through our work in the Wema Area Development Program in Kenya. In 2014, this resulted in a 5% decrease in the incidence of communicable disease.*

80

laps

were completed by Sydney school girl Emily, aged 10, at her local 25 metre swimming pool to raise money for our clean water projects.

1

million people

across 38 countries benefited from WASH projects in 2014.

\$1,425

donated
by Melbourne
siblings

Elijah, eight, Asher, six, and Aliya, four, to buy a well from our gifts catalogue. The children raised the money through lemonade stands – making 100 litres of lemonade, using over 20kg of lemons.

18

primary
schools
in Tanzania

which we support through the Busangi WASH Project now have tippy taps; hands-free devices which allow students to wash their hands safely and easily.* These taps help prevent instances of waterborne diseases, such as cholera, both at school and in the children's homes.

NOTE: * indicates as at 30 June 2014.

CASE STUDY: WATER, SANITATION AND HYGIENE (WASH)

Kirubel, aged 10, carries water in Ethiopia. Photo: Ilana Rose/World Vision

Clean water creates safer communities

Access to clean and safe water is often identified as a community's greatest need when we begin working with them.

Alongside improving sanitation and hygiene, one of the key parts of our work in WASH involves working closely with a community to find solutions to water supply problems, and together, constructing necessary infrastructure. Community members are encouraged to join WASH committees and receive training in operating and maintaining new facilities to ensure their ongoing viability.

From 2011-2013, as part of our work in the Kochore Area Development Program, Ethiopia, we addressed water access in several projects, including through the Chorso Mazoriya Water Supply Project.

An evaluation of this project in 2014 identified that 11,000 people now have access to clean water. The proximity of water points to people's homes has reduced attacks on women and girls during water collection and incidences of waterborne diseases have also reduced.

11,000 people

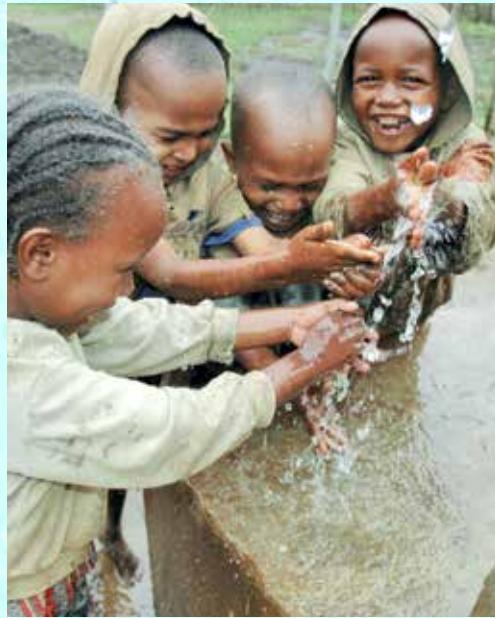
now have access to clean water due to the Chorso Mazoriya project in Ethiopia.

100% managed by local people

Local WASH committees were trained to manage and operate the water systems in the Chorso Mazoriya project and are now completely responsible for them.

500 metres

is the farthest distance families in the Chorso Mazoriya project area now have to walk to access clean water from one of seven public fountains.



Children access water from one of the public fountains installed through our Chorso Mazoriya project. Photo: Tereza Nega/World Vision

Water flows in Aster's community

Aster, mother of seven, remembers many long days fetching water from a polluted river.

"I had to travel for three hours to get water. I could carry only 10 litres of water ... due to the long distance and the slippery road ... there were days when I needed to go to the river three times a day," she recalls. "I even had to bring water while I was in my early months of pregnancies and in my late months, my daughter who was eight at the time had to go fetch water."

"The water we brought home was never clean. It was reddish from the sand ... and had lots of worms and other creatures in it. We had to filter that before using it, which took time,

and still [it] was not safe to drink but we did drink it because we had no choice. My children used to get sick most of the time ..."

Today, Aster has access to a water point close to her home and can access safe and clean water for her family.

Her children no longer suffer from waterborne disease and she has more time for household duties. The family's medical bills are also significantly reduced.

"We are very happy now," she says. "We are no [longer] sick and have the time to work and even relax and drink coffee with our friends."

"... [previously] communities have been exposed [to] many waterborne diseases and wastage of time by travelling to fetch water ... Furthermore, since Chorso Mazoriya is one of the big marketplaces in the woreda, many community members came and used different drinks which were prepared by unsafe water sources and that affected health and economic status of the users. Now that [is] becoming history ..." – **Berhanu Tefera Gedeb, Water, Energy and Mining Office Expert in the woreda (local government district).**

"For me, the personal stories were life changing ... I got to walk with this kid Vianney and we walked to where his old water was, then we put the 15kg water [container] on our head and we walked back up this huge hill to his house; it made it so real. That's the world water crisis. It's Vianney's story ..." – **Daniel Flynn, Thankyou Co-founder and Managing Director, visited our water projects in Africa in late 2013.**

Thankyou partners with us on water, hygiene and food projects.

SECTORAL SNAPSHOT: ECONOMIC DEVELOPMENT



Ethiopian farmer Girma was initially supported with five chickens to help him earn income. Now he has 800 chickens. Photo: Ilana Rose/World Vision

The UN estimates that one in five people in developing countries live on less than US\$1.25 a day. Empowering individuals and communities to improve incomes and their local economies is one of the ways we work to help transform lives and break the poverty cycle.

Our work in local economic development supports people, as well as small businesses, to identify practical solutions to economic challenges in order to improve the development of markets and the private sector. Our work includes:

- training farmers to increase profits through negotiating better prices, reading the market and selling as a group;
- training farmers in good agricultural and processing practices in order to increase productivity and profits;

- working with businesses, governments and stakeholders within local economies to reduce barriers and identify opportunities for further economic growth;
- training youth in the necessary skills, behaviours and attitudes to help them get jobs or start businesses;
- assisting small business owners in low-income communities to link in with sustainable companies under franchising arrangements; and
- helping communities set up savings groups and gain access to microfinance so that local people can meet basic needs and invest in their economic activities.

You can read more about our work in economic development at worldvision.com.au/improvingincomes.

73%

of youth

surveyed after their participation in a youth development and employment project in the Solomon Islands had work, compared to 33% before the project began four years ago.

50

women

including three living with a disability were trained and provided with the necessary tools to start beekeeping in Afghanistan, through our Beekeeping in Badghis Project. A further 55 women, trained in past years, received ongoing assistance including introduction to new honey buyers.*

14,000

people have improved their incomes

following participation in our Market Linkages in Apple Production Project in Ethiopia. By growing better varieties of apples, farmers are now earning 180% more per kilogram.*

8

years

is how long Jasper Coffee has purchased its coffee from growers in the Yirgacheffe district of Ethiopia, through our Kochore Coffee Revitalisation Project.

16

of the countries

where we work had Local Value Chain Development (LVCD) projects operating last year, helping to increase the incomes of farmers through better access to markets and collective selling. See pages 58-59 of our FY13 Annual Report for more information about LVCD.

\$29,589

was saved by 24 savings groups

in 2014 following their participation in a community economic development project in Timor Leste. Of this, \$21,303 was distributed in loans to members.* See the next page for a case study about the impact of savings groups.

32

agricultural cooperatives

in Cambodia were operating two to three income-producing businesses in 2014 with support from our Agricultural Cooperatives for Sustainable Community Development project.* The project helps cooperatives (groups of farmers who work together) to secure low interest loans, establish business partnerships with private sector companies and form savings groups.

80

of our projects

in more than 30 countries had a focus on economic development.

CASE STUDY: ECONOMIC DEVELOPMENT



A man deposits money into a local savings group in the Solomon Islands. Photo: World Vision

Savings groups create opportunities for communities

For many of the people we work with, geographic remoteness and the reluctance of banks to provide services to them means they will rarely have access to formal financial institutions and be able to save or access credit.

Assisting communities to form savings groups that are owned, managed and operated by the members themselves is one of the ways we empower people to meet both their current and future needs.

As part of an economic development project that spans two of our Area Development Programs in Vietnam (Lac Son and Tua Chua),

we have encouraged community members to form such groups. Group members are responsible for generating the capital themselves. Loans are made within the group at an agreed interest rate, with interest free “welfare loans” made to individuals if agreed to by all group members.

When coupled with other local economic development initiatives, savings groups can be very effective in enabling members to expand businesses, meet immediate needs like children’s education and importantly, save for the future.

72

savings groups

were established in 2014 across the Lac Son and Tua Chua Area Development Programs in Vietnam, bringing the total number of savings groups in these areas to 80, involving 1,086 households.*

506

savings group members

across the Lac Son and Tua Chua Area Development Programs were trained in improved agricultural techniques and how to manage household business and finances.* This helped them maximise the effectiveness of loans from the savings groups.

NOTE: * indicates as at 30 June 2014.

70%

of savings groups

in the Lac Son and Tua Chua Area Development Programs are led by women.*



Sowing for the future

In the Tua Chua Area Development Program in Vietnam, a savings group is helping farmer May provide for his family and keep his children in school.

Like many in his village, May and his family used to struggle from hunger for several months of the year during the between-crop period. Before being introduced to the savings group, his family also spent income as it came in.

"We now save every day no matter how much we get. We will have a reasonable amount of savings at the end of the year," May explains.

May and the other members of his group meet every month and are required to contribute VND100,000 (approximately \$5.50) each time. Members take loans to start or expand businesses and to pay for their children's education. They also receive dividends from the interest paid on loans.

"I [now] understand about how important savings is and I have gained access to small loans which were useful for my family," May says. "For example, I borrowed money to buy feed for my pigs [and] to pay school fees for my two elder daughters from my savings group."

"My wife and I know to save and don't waste our money. We will spend more money on my children's education. My [greatest] wish is my children will study higher and get good jobs."

"We were very impressed with the opportunities the savings group created for members of the community ... Being able to buy a pig, cow or chickens was now able to be realised, providing an ongoing and regular income to families that would otherwise be living day to day. It literally created the chance for a change in life." – **Stewart McCartney, Fairhills High School chaplain and teacher, visited the Tua Chua Area Development Program with students in late 2013.**

"Poor households now can be confident to fight poverty as they know that they can do it themselves."

– **Thai Hong Lam, Lac Son Area Development Program manager.**

SECTORAL THEMES IN OUR WORK IN EMERGENCIES



Every year millions of people throughout the world are affected by natural disasters and conflict-related humanitarian emergencies. When emergencies happen we aim to respond quickly so we can help those most in need, particularly vulnerable children.

We respond to natural disasters like earthquakes, cyclones, tsunamis and food crises. We also respond to humanitarian crises brought about by the devastating impact of conflict. In these cases, we are committed to meeting the humanitarian needs of those impacted by conflict but also to peacebuilding through integrating advocacy as part of our humanitarian response activities.

We also work with communities to help them become disaster resilient and prepared for the future.

In 2014, we responded to the highest number of “category three” emergencies and disasters in a given year (those requiring the largest response). We worked in South Sudan and Gaza, the Syria conflict regional response, and Typhoon Haiyan in the Philippines.

You can read more about our work in emergencies at [worldvision.com.au/
emergencies](http://worldvision.com.au/emergencies).

A child at a camp for internally displaced people in South Sudan. We are working to meet the needs of people displaced by conflict in South Sudan, including by assisting with food and nutrition, healthcare, clean water and sanitation, shelter, and protection. Photo: Ilana Rose/World Vision

23,111

children

aged six months to five years received high energy supplements to prevent malnutrition, as part of World Vision's emergency response to the conflict in South Sudan. More than 8,000 children and pregnant and breastfeeding women were also screened for malnutrition and treated in clinics as needed.

439, 533

people

in South Sudan received emergency assistance from World Vision in 2014.

300, 000'

people in Lebanon

received support through World Vision's Syria regional response, including in the areas of child protection, education, basic supplies, water and sanitation, and food. In such situations, World Vision responds to both the needs of refugees and host communities, particularly in relation to water and sanitation services.

1+

million people

were reached as part of World Vision's response to Typhoon Haiyan in the Philippines. In the relief phase, 789,816 people were assisted through distributions of emergency food, hygiene kits and emergency shelter kits. In the recovery phase, 349,549 people were reached through cash-for-work projects, assistance with livelihoods, learning kits for students and teachers, and shelter assistance.

\$11+

million donated by Australian individuals & businesses

to our work in emergencies in 2014.

18

communities

in Gaza received support from World Vision in 2014. A total of 3,720 food parcels and 1,996 hygiene kits were distributed to individuals, while 4,000 bed sheets and 5,000 litres of fuel to run generators were provided to a local hospital. See the case study on the next page for more about the importance of psychosocial support in emergency response.

100, 000+

consultations

were conducted by World Vision healthcare workers in Syria in 2014. Thousands of kits containing hygiene products and baby supplies were also distributed.

\$427,400

donated by Hillsong Church

globally to aid our response to Typhoon Haiyan in the Philippines.

CASE STUDY: OUR WORK IN EMERGENCIES



Children gather around a World Vision worker in a child friendly space we have set up in a camp for the displaced in South Sudan. Photo: Ilana Rose/World Vision

Caring for the less visible impacts of emergencies

When emergencies strike, food, water, shelter and emergency healthcare are always critical to people's survival but there are also less visible impacts of emergencies, especially wars.

The social and psychological effects of crises can be devastating for children and their families. Crises can result in stunted development for children, especially in their social, emotional and cognitive growth. Research is also showing us that crises can even have a dangerous impact on children's developing brains, making them vulnerable to more mental health difficulties later in life.

In July 2014, when conflict once again broke out in Gaza, we responded by creating child friendly spaces to help affected children. More than 8,000 women who World Vision trained in Psychological First Aid after the 2008-9 Gaza war were also able to put their skills to work and supported thousands of families in need.

Alison Schafer, our Technical Specialist for Mental Health and Psychosocial Support, recently co-authored a journal article on mental health in conflict, in the context of Gaza. You can read the report at worldvision.com.au/dailystressors.

1.5

hours a day, 3 times a week

children are taking part in child friendly spaces in Gaza.

100%

of the emergency responses

we assisted with last year included psychosocial support for children and/or their families, through child friendly spaces or as part of education, protection, nutrition or health assistance.

10, 900+ children

In Gaza received support through World Vision child friendly spaces in 2014.

One of our staff Alison Schafer with Dalia (back) and Farah (front) who attended child friendly spaces in Gaza. Photo: World Vision



Helping the children of Gaza

Like others before it, the latest conflict in Gaza will create invisible scars for children and families.

In addition to providing emergency food, hygiene and medical supplies, World Vision worked with partners to establish 45 child friendly spaces within just two weeks of the formal ceasefire between Hamas and Israel. These spaces provide a safe place for children to play, reconnect with friends and receive psychosocial support. The spaces also bring mothers together to discuss their needs, grief and ways to cope.

After just a few weeks, mothers were observing positive changes in their children. As one says, "My 12-year-old daughter, during the war, had isolated herself and refused to talk and share with her brothers and sisters in the house. She hardly spoke. The child friendly space is changing her. She is speaking again to her siblings ... She is playing the 'teacher' and giving her siblings the games and activities [that] she is learning in the child friendly space."

Adds Farah, aged nine, "This centre; I like it because we can play. We don't have places to play here."

"There is nothing more important than protecting, nourishing and enriching the lives of children, for they are the future of the world." — **Nicky Stafford is a major donor and supports our work in Gaza.**

"World Vision responded quickly, starting up 45 centres within a matter of days. Having seen the scale of destruction, I can't overstate the importance of these centres. Families need a safe place for their children to play and learn to help them begin the long process of rebuilding their lives."

— Joel Thorpe, Head of Cooperation, Department of Foreign Affairs and Trade (DFAT), Australian Representative Office, Ramallah, Palestine.

RAISING VOICES

Advocacy has always been a key part of what we do, for we recognise that real change cannot occur without justice in policies, systems, structures and practices.

We advocate in a number of ways including through research, policy development, government engagement, church partnerships, public education and campaigns. We partner with supporters here in Australia and alongside the communities where we work to help ensure that everyone's voice is heard.

We advocate at local, national, regional and global levels.



Rhonda Hirst and Joy Toose rallied in Melbourne on 14 March 2014 as part of a global vigil to mark three years of conflict in Syria. Photo: Bridie Walsh/World Vision

Influencing the G20



Our CEO Tim Costello chairs the C20. Photo: John Lindsay

In 2014, our Australian supporters, youth campaigners, advocacy partners and staff worked together to bring forced and child labour to the attention of G20 leaders.

Eradicating child labour has long been a focus for us and the G20 Summit in Brisbane was the perfect opportunity to talk with leaders whose countries collectively represent 85% of global income.

Based on research from World Vision's report on child labour in government procurement – "Creating markets for child-friendly growth" – our campaign focused on the need to change the way G20 governments buy goods and services.

We pointed to the fact that as well as being morally wrong, child labour has a negative impact on economic growth. Our staff, supporters and VGen youth campaigners met with and wrote to Australian MPs and Senators to encourage them to raise the issue in the Australian Parliament ahead of G20 meetings. Our CEO Tim Costello also progressed the poverty and injustice agenda as the Chairman of the C20.

The result was an acknowledgement in the Australian Senate of the action of our supporters and most importantly, a written commitment ultimately by the G20 employment ministers – including Australian Senator Eric Abetz – to take a strong stand against forced and child labour.

It is the first time that G20 countries have acknowledged the role they have to play in ending forced and child labour and made a commitment to prioritising measures which help vulnerable groups.

You can read the "Creating markets for child-friendly growth" report at worldvision.com.au/childfriendlygrowth.

Citizen Voice and Action

Empowering communities to engage with their government for change is one of the ways we work with people, enabling them to become their own agents of change.

Citizen Voice and Action is a community-led advocacy approach that is having success in many of the places we work, including recently in a community in Chipepo, Zambia.

Members of this community only had access to a single ward at the Chipepo Health Centre. Serving a population of more than 15,000, the health centre was constantly overcrowded, with men and women (including expectant mothers) and children sharing the same ward while awaiting admission, and also while receiving treatment. Beds were in short supply and patients were asked to bring their own mattresses to sleep on the floor.

This all changed when community members learnt about their rights and responsibilities through Citizen Voice and Action. A meeting was called with government officials and the local media to discuss the situation, and the government agreed to work with the community to turn an unused room in the clinic into another ward. Mattresses and beds were also provided.

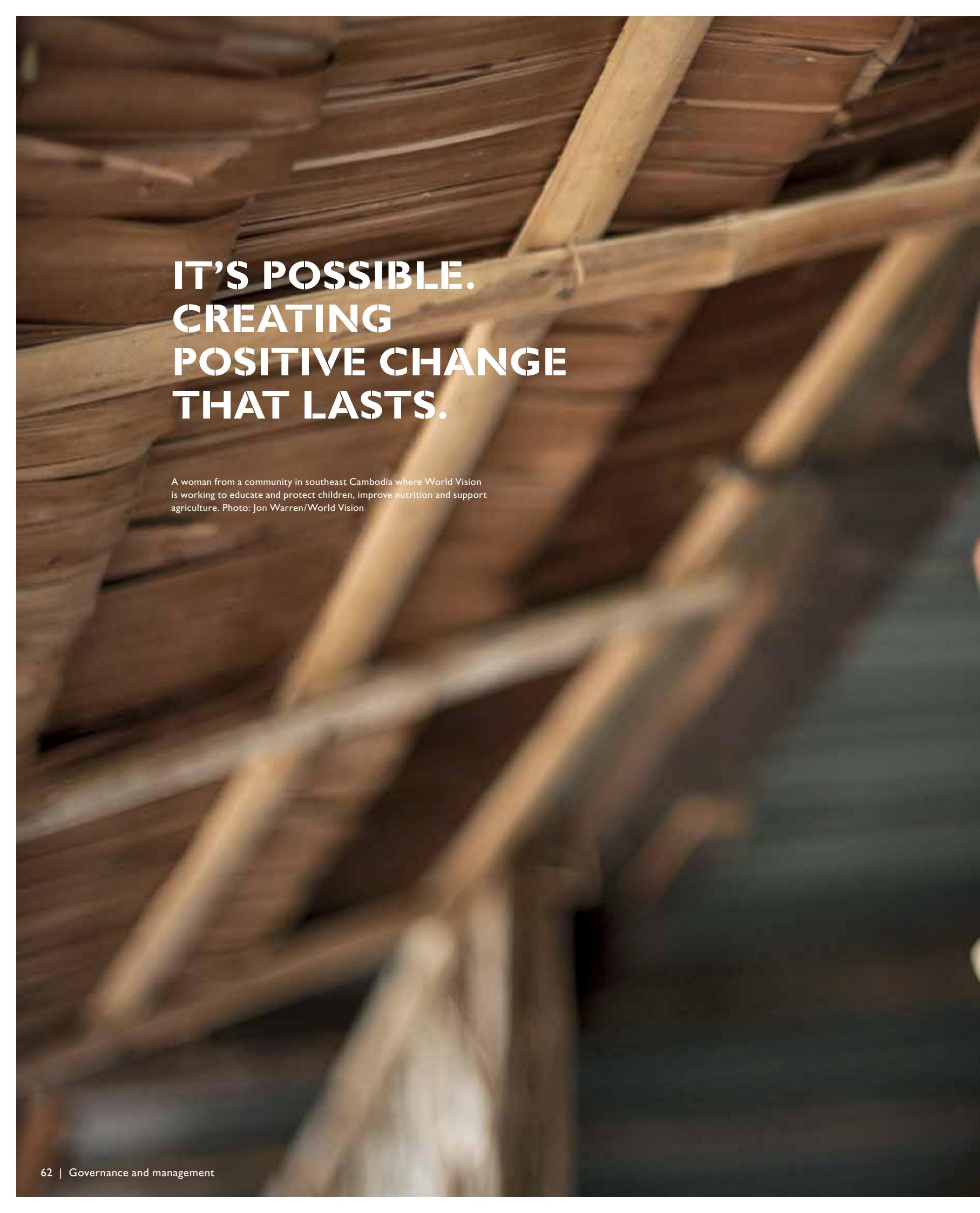
Community members and local officials then worked with us to prepare a concept paper for government, outlining the need for more wards. Construction of these additional wards is currently underway.

The people of this community now have a healthier future to look forward to and understand, more than ever, the power of their own voices for change.

You can read more about Citizen Voice and Action at worldvision.com.au/citizenvoiceandaction.

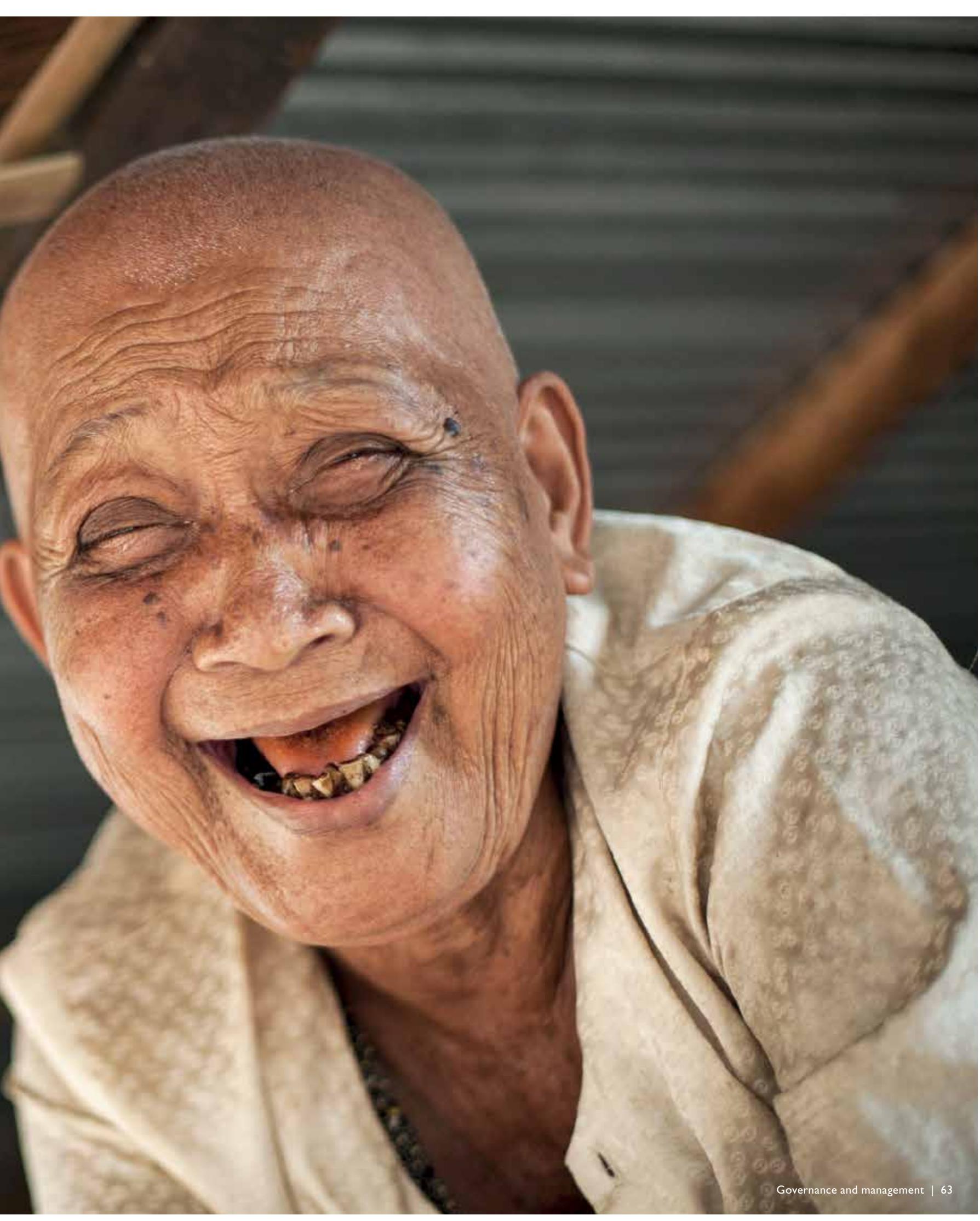


The Chipepo Health Centre admission ward before and after Citizen Voice and Action. Photos: Nathan Musonda/World Vision



IT'S POSSIBLE. CREATING POSITIVE CHANGE THAT LASTS.

A woman from a community in southeast Cambodia where World Vision is working to educate and protect children, improve nutrition and support agriculture. Photo: Jon Warren/World Vision



GOVERNANCE AND MANAGEMENT

Our Board

Our Board comprises 13 highly qualified individuals who each bring unique expertise and experience relevant to their governance role.

Throughout 2014, George Savvides served as our Board Chairman.

In 2014, we reflected our commitment to the World Vision International Partnership at the governance level through making a position on our Board available for an appointee of the President of World Vision International. Bonnie Wurzbacher was appointed in August 2014 as the "Partnership Director", with the primary purpose of ensuring good communication and alignment between ourselves and the Partnership.

Barry Pipella retired at the end of 2014 after serving nine years on our Board.

Short profiles of our directors in 2014 appear below. More detailed profiles can be found at worldvision.com.au/Board.

BARRY PIPELLA

(Member – People, Culture and Remuneration Committee)

Executive Director, Strategic Sales for Telstra Enterprise and Government

Ambassador for Business for Millennium Development

Board member of Vision Developments International



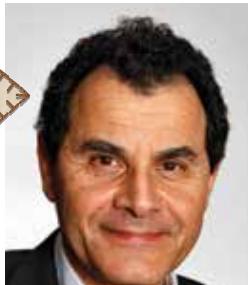
GEORGE SAVVIDES

(Chairman)

Managing Director of Medibank Private Limited

Fellow of the Australian Institute of Company Directors

Vice President of the Council of the International Federation of Health Plans



SHANNON ADAMS

(Deputy Chairman, Member – Audit Committee)

Board member, World Vision International

Partner, Hunt & Hunt

WENDY SIMPSON

(Member – People, Culture and Remuneration Committee)

Chairman of Wengeo Group

Chairman of City to City Australia

Founding Chairman of Springboard Enterprises Australia

Member of the Order of Australia (2013) for service to the community through a range of women's and youth organisations

Australian Businesswomen's Hall of Fame (2013)

ROB GOUDSWAARD

(Chairman – Audit Committee)

Former CEO and Director, Rural Finance Corporation

CEO-designate of Credit Union Australia Limited

Fellow of the Williamson Leadership Community Program

TIM McCORMACK

(Member – Audit Committee)

Professor of Law at the Melbourne Law School

Adjunct Professor of Law at the University of Tasmania Law School

Special Adviser on International Humanitarian Law to the Prosecutor of the International Criminal Court in The Hague

Serves on the international advisory boards of a number of academic institutions in the US, Sweden, the Netherlands, Germany, Israel, Indonesia and New Zealand



FIONA PEARSE

(Member – Audit Committee)

Experienced financial and commercial executive and non-executive director

Non-executive director at City West Water

A current or past director of Presbyterian Ladies' College and Scotch College



BONNIE WURZBACHER

("Partnership Director")

Chief Resource Development Officer, World Vision International

Serves on a wide range of non-profit and for profit boards, including the boards of several World Vision offices

COLIN CARTER

(Member – People, Culture and Remuneration Committee)

Adviser to The Boston Consulting Group

Board member of Wesfarmers, Seek and Lend Lease

Chairman of the Geelong Football Club

Director of Ladder (an AFL players' project on youth homelessness)

Adviser to the Australian Government's Indigenous Empowered Communities project



LOUISE BAUR

(Member – Audit Committee)

Professor of Paediatrics and Child Health, University of Sydney

Senior paediatrician at The Children's Hospital at Westmead, Sydney

Member of the Order of Australia (2010) for service to medicine, particularly in the field of paediatric obesity as a researcher and academic, and to the community through support for a range of children's charities

Founding Fellow of the Australian Academy of Health and Medical Sciences (2014)

JUDY BARRACLOUGH

(Member – Audit Committee)

Experienced corporate executive, with a background in strategy development, corporate planning, corporate affairs, research, and mergers and acquisitions

Consults on strategy and governance to a range of "or purpose" and commercial organisations

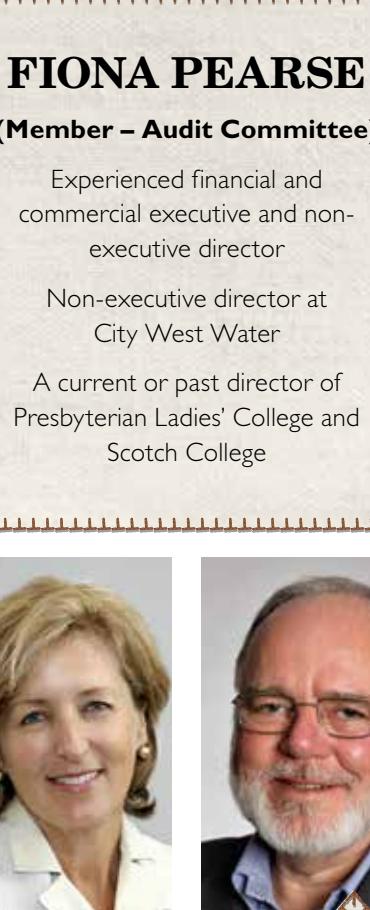


DONNA SHEPHERD

(Member – People, Culture and Remuneration Committee)

Vice Chairman of World Vision International Board

Director of Creating Communities Australia



OUR SENIOR LEADERSHIP TEAM

In early 2014, our senior leadership team was restructured.

Our most senior leaders throughout most of 2014 comprised Tim Costello (Chief Executive Officer) and his direct reports:

- Leigh Cameron (Chief of Staff and Strategy)
- Melanie Gow (Chief Supporter Officer)
- Greg Ridder (Chief Financial Officer)
- Jenny Ward (Executive Officer)

The functions for which they are responsible are set out below.

Chief Executive Officer

Tim Costello



Executive Officer

Jenny Ward

- Field Partnerships (International Programs)
- Australia Program
- Media & Communications
- People & Culture
- Technology & Shared Services
- Group Portfolio Planning
- Property

Chief of Staff & Strategy

Leigh Cameron

- Internal Communications
- Corporate Strategy



Chief Supporter Officer

Melanie Gow

- Supporter Insights & Design
- Church, Corporate & Community
- Government & Multilaterals
- Individual Supporters
- Channels
- Group Portfolio Planning



Chief Financial Officer

Greg Ridder

- Business Planning & Improvement
- Business Performance
- Financial Operations
- Legal & Governance
- Internal Audit
- Risk
- Procurement

GOVERNING PRINCIPLES

Our Board's Policy Manual sets out the principles as to how our Board conducts its work. The following statement on our Board's governing style details how its roles and responsibilities are discharged:

"The Board will approach its task proactively, rather than reactively, with a style that emphasises longer-term policy, outward vision, encouragement of diversity in viewpoints and strategic leadership. The Board acknowledges and will respect the clear distinction between its role and the role of management, recognising that administrative and operational details are generally management responsibilities. In this spirit, the Board will:

- enforce upon itself and its members the discipline needed to govern with excellence. Discipline will apply to matters such as attendance, respect for roles, speaking with one board voice and self-policing of any tendency to stray from governance ...
- be accountable for competent, conscientious and effective accomplishment of its obligations as the governing body ... It will allow no officer, individual or committee of the Board to usurp this role or hinder this commitment.
- monitor and regularly discuss the Board's own process and performance, seeking to ensure the continuity of its governance effectiveness by the selection of capable directors, orientation of directors both before and after election, board training and continuing professional development and education and peer and self-evaluation.
- be responsible for its own performance, but seek and encourage assistance from the CEO (and other ... personnel, as relevant), in the Board's pursuit of excellence.
- be available to assist in areas where there are individual competencies without usurping the role of management."



World Vision Australia Board members gather for our Annual General Meeting.
Photo: Ilana Rose/World Vision

Board Committees

Throughout 2014, our Board was supported by the following Board committees:

- The Audit Committee, which assists our Board in monitoring and ensuring the integrity of our financial reporting, compliance with legal and regulatory requirements, internal standards (including the code of conduct), policies and expectations of key stakeholders, effectiveness of our internal control and risk management framework, and the effectiveness of the internal and external audit functions. This committee met five times in the 2014 financial year. Rob Goudswaard was re-appointed Chairman of this committee in February 2014.
- The People, Culture and Remuneration Committee, which assists our Board to effectively discharge its responsibilities for monitoring human resources and corporate culture, appointment of our senior leaders and evaluation of our CEO. This committee also assists our Board with respect to board composition, skills and procedures to maintain a process of continuous improvement. This committee met five times in the 2014 financial year. John Harrower was re-appointed as Chairman of this committee in February 2014.

In February 2014, we established a Youth Advisory Council with a mandate to uphold the integrity of our child focus by championing the participation of children and youth, and ultimately being the custodian of our youth strategy. This council will meet twice every year.

Towards the end of FY14, we also established an Australia Program Committee. This committee will have responsibility for the governance of program quality in our Australia Program work. This committee will meet twice every year.

Seak-King Huang continued to serve as Company Secretary throughout 2014. In this role she works most closely with George Savvides, as well as Rob Goudswaard and John Harrower who chair our Audit Committee and People, Culture and Remuneration Committee, respectively, and also supports our other Board members.

You can read more about the work of our Board Committees in our full Corporate Governance Statement at worldvision.com.au/Board, summarised on the next page.

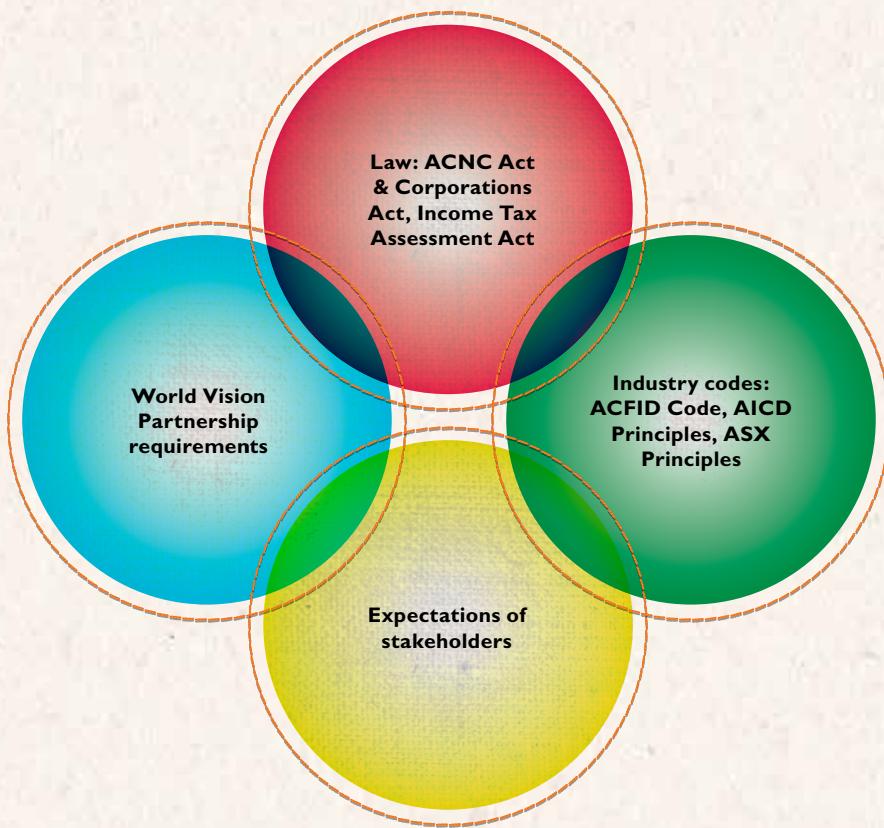
CORPORATE GOVERNANCE

We understand corporate governance to be the framework of systems and processes, rules and relationships, within and by which, authority in an organisation is exercised and the organisation as a whole is directed and controlled. Our corporate governance aim is to create long-term, sustainable value for our supporters and other stakeholders, especially those who we serve.

Our Board recognises its role in overseeing the determination and implementation of policies and processes that reflect good corporate governance and understands that these must, like our Core Values (see page 7), inform and guide the attitudes, decisions and actions that make up the fabric of our life and work. We also recognise that this is another area in which we must continuously make improvements by considering, reviewing, testing and changing processes.

The diagram below illustrates our corporate governance environment as one in which the law, industry codes, the expectations of our stakeholders (supporters and those we serve) and Partnership requirements interplay.

During 2014, we were regulated in the main by the Australian Charities and Not for Profits Commission as a registered charity under the Australian Charities and Not for Profits Commission Act 2012 (ACNC Act). We have continued to be registered as a public corporation limited by guarantee under the Corporations Act. The Corporations Act applies but in a manner modified by the ACNC Act. We also hold tax endorsements and concessions and are therefore also subject to the Income Tax Assessment Act.



As a signatory to the ACFID Code of Conduct, we are also subject to this code's governance principles and requirements. The code defines minimum standards of governance, management and accountability for non-government organisations and aims to improve international development outcomes and increase stakeholder trust by enhancing the transparency and accountability of signatory organisations. In 2013, we welcomed the publication by the Australian Institute of Company Directors (AICD) of the "Good Governance Principles and Guidance for Not for Profit Organisations" which our Board adopted. Since 2008, we have voluntarily adopted the Australian Securities Exchange's Corporate Governance Principles and Recommendations (ASX Principles) and applied them, insofar as it is sensible and realistic to do so even though we are not a listed entity, taking into account our position as a large, not-for-profit organisation and with due regard to the scope of our operations and level of donor and public interest. The AICD NFP Principles and the ASX Principles are not incompatible and both apply to us, but the AICD NFP Principles, being focused on not-for-profit organisations, take precedence.

As a member of the World Vision International Partnership, we are also subject to Partnership policies, insofar as they are appropriate under Australian laws. In relation to corporate governance specifically, the Partnership's Corporate Governance Guidelines apply. These guidelines are, by their nature, more specific to entities within the Partnership, including ourselves.

In 2014, we reviewed our Corporate Governance Statement and made changes to recognise the role of the Partnership Director. You can read our full Corporate Governance Statement at worldvision.com.au/Board. The statement addresses in detail how we respond to the requirements and principles under relevant laws, industry codes and our own policies as they relate to corporate governance.

RISK MANAGEMENT

Enterprise Risk Management

We apply the principles and guidelines of AS/NZS ISO 31000:2009 Standard for Risk Management to our policies and practices. This assists us to integrate risk management into our overall management system. Our existing risk management policies and practices are assessed, and adapted where necessary, for adequacy and effectiveness against the standard.

During 2014, we strengthened our Enterprise Risk Management capability. This involved the establishment of a Senior Management Risk Committee which reports to our Board's Audit Committee, appointment of a dedicated Risk Management specialist and alignment with the recently updated Enterprise Risk Management Policy and Framework of the World Vision International Partnership.

Occupational Health and Safety Management

In 2014, we focused on safety improvement for our field staff working in difficult and sometimes dangerous environments. In February 2014, we launched an in-house travel management platform which has enabled us to streamline travel processes, contain costs, ensure medical and security travel preparedness as well as safety compliance, and be able to easily identify where any of our staff are travelling at any point in time. This process enhancement is also important for supporting and managing the risks associated with the increasing number of supporters travelling with our staff.

Our WorkCover premiums remained below the industry average in 2014 and we continued to encourage staff to report all safety incidents and near-misses to ensure preventative measures for occupational health and safety risks could be implemented wherever possible.

Internal Audit

Our Internal Audit function operates under a charter mandated by our Board's Audit Committee.

Its purpose is to:

- provide independent objective assurance to our Board that the components of internal control are operating effectively and as they are intended; and
- assist our CEO and Senior Leadership team in effectively discharging their responsibilities to our Board in the areas of risk management and internal control while supporting improvements to overall business process.

The function operates with independence, authority and accountability as determined by our Board's Audit Committee.

- It complies with professional standards and good corporate governance principles. It is independent of our other activities and processes, as well as the staff that it reviews, in order to perform its duties and report results objectively.
- It reports functionally to the Chair of our Board's Audit Committee and administratively through our CFO. It has no direct authority or responsibility over any activities that could be subject to audit.

A fuller explanation of our risk management approach can be found in our full Corporate Governance statement available at worldvision.com.au/Board.

OUR STAFF AND VOLUNTEERS

	2014	2013	2012
Board members	13	12	10
Total employees	628	609	578
Full-time employees	515	494	463
Part-time employees	113	115	115
Staff turnover rate	17.04%	19.38%	22.50%
Hours volunteered	65,964	58,375	36,924

	Male	Female
Board members	7	6
Employees:		
Full time	221	293
Part time	14	100

	Percentage of employees
Under 21 years	0.1%
21 to 30 years	16.8%
30 to 40 years	39.2%
40 to 50 years	26.7%
50 to 60 years	13.4%
Over 60 years	3.8%

Staff

Engagement and retention

Engaging and retaining our employees is an important part of living out our values and achieving our mission. We use an employee engagement survey, also used throughout the Partnership, to understand staff satisfaction and develop initiatives to ensure we have a workplace where our employees want to stay, and where they will strive to do their best work for our supporters and the people we serve. The improvement of employee engagement from 66% in FY12 to 70% in FY13 has also been reflected in the reduction of our voluntary staff turnover rate from 19% in FY12 to 16% in FY13.

We use our engagement survey, pulse checks, individual performance and development plans, as well as employees' regular one-on-one discussions with their manager to proactively manage positive employee and manager relationships, as well as retention. We encourage a cross-skilled workforce where employees can gain experience and skills within the organisation through secondment and short-term opportunities. In FY14, following a significant level of structural change across the organisation, 65% of vacancies were filled with existing staff.

Capability development

One of the key capability focuses for management during FY14 was change management, in order to support our change journey. We adapted the People Centred Implementation change management methodology to support major change programs and more than 25 staff were trained as practitioners in this methodology. All senior leaders also received training to support their understanding of the principles for successful change management.

Improving our change management capability assisted with the major change programs undertaken in FY14, which centred on moving our organisation towards one with a better focus on supporters (see page 30). Change management was also an area identified in our previous year's employee engagement survey as an area for improvement.

Over the past two years we have increasingly been using Agile Project Management ways of working, particularly for IT based projects. Agile Project Management refers to a set of values, principles and practices that drive business value generation and risk mitigation through simplicity, innovation and continuous improvement. Agile ways of working also influence the social, technology and management practices within a team. We have trained over 100 staff in Agile fundamentals. Agile practices have enabled us to deliver outcomes sooner through iterative releases, which allow faster testing and learning. The increased collaborative and transparent nature of Agile principles are also aligned with our culture and values. Agile practices will provide a foundation for us to be able to respond more quickly to our supporters.



Agile ways of working enable our teams to test and learn for continuous improvement.
Photo: Ilana Rose/World Vision

OUR STAFF AND VOLUNTEERS

Volunteers

Contribution

We greatly value the contribution more than 2,632 volunteers have made to support our mission in FY14, contributing an estimated \$1.979 million in people resources. The range of volunteering roles continues to be spread right across the organisation, including:

- office-based volunteers across all our offices
- corporate partner volunteers (through their employer annual community/volunteer day)
- pro-bono consultants
- event and campaign volunteers
- advocacy volunteers (VGen and Vision Artist programs)
- community fundraising group volunteers
- Youth Ambassadors.

Motivations for volunteering

We have a diverse workforce of volunteers who each have unique motivations for offering their time and skills. As well as supporting our mission and acting on their values, our volunteers are motivated by a desire to:

- learn about international development, or the NGO sector more broadly, through work experience programs or general volunteer engagements;
- gain practical experience in a particular discipline after or during studies (for example in human resources, information technology, finance and accounts, legal, advocacy, policy or marketing);
- put their free time to good use (either on an ongoing basis – for example, retirees – or for a certain period of time, such as in between paid work or as a career or study break); or
- gain confidence to re-enter the workforce (for example, after a career break due to family commitments, new Australians wanting to integrate into the Australian workforce, or people who have a disability preventing them from gaining paid work but feel they can still contribute).

Our volunteers' motivations drive the way they engage with our organisation and also how their teams can reward and recognise their efforts. We understand volunteering is often mutually beneficial and we try to gain an understanding of their motivations and how we can help them get the most out of their volunteer experience.

We are noticing some trends in the changing desires of volunteers amongst the broader volunteering industry. Traditionally volunteers' engagement with NGOs was for the intent of completing a body of work or task, however current trends show:

- Volunteers would like organisations to look at how their services can support their core business or the communities they work with. Volunteers prefer to be seen as partners of the NGO rather than a task or gap-fill person.
- Volunteers want to be empowered and supported as volunteers by connecting to the causes they care about. Today's talented volunteers seek engagement that uses their full skill-set and commitment to contribute to social change, influence the community agenda and enhance connections between people.

We are recognising the need to invest in building our own capacity to better support our volunteers. This investment includes strengthening the systems, infrastructure, capacity and financial resources dedicated to supporting voluntary service. Volunteers offer a great way to expand our workforce, and can be found via many different platforms, but we need to ensure we have dedicated resources to manage them effectively.

How we recruit volunteers

We engage volunteers in a similar way to the process we follow when engaging paid staff. Starting with a job brief, we advertise volunteer opportunities and ask applicants to complete a brief online application form. This is followed by interviews and full screening in accordance with our Child Protection Policy and Volunteer Policy and Standards.

If volunteers are interested in paid employment opportunities, they can view our internal job vacancies list and are considered as internal applicants. We have had a number of success stories where volunteers have been suitable candidates for our paid employment opportunities, or their engagement with us has supported them in obtaining other paid roles.

Ashleigh Streeter (left) and Jasmine Mikschi are members of VGen, our youth volunteer movement.
Photo: Suzy Sainovski/World Vision



ENVIRONMENTAL MANAGEMENT



Mutinta's family can now grow vegetables next to their home because of a solar-powered borehole and water tank constructed in her Zambian community through World Vision. Photo: Jon Warren/World Vision

We are committed to improving our environmental performance and reducing our contribution to climate change and environmental degradation.

Since 2008, we have considered the extent of our carbon footprint by measuring a selection of key activities and consumption items which have the most significant environmental impact: electricity, air travel (fuel only), paper, car fleet and gas.

We have set a target of zero emissions by 2017 for these key indicators and committed to reducing emissions and purchasing carbon offsets where emissions cannot be sufficiently reduced to meet our yearly reduction target. In 2007, we expected to be able to reduce our carbon footprint to below 5,200 tonnes CO₂-e (carbon dioxide equivalent) per annum before purchasing carbon offsets.

We continue to integrate our carbon reduction strategy with our core development programs. We have a reforestation project and an energy-efficient stoves project in Africa, both which incorporate carbon emission reductions that form the basis of certifiable emission reduction units under the Clean Development Mechanism of the Kyoto Protocol. This year, we were again able to purchase carbon emission offsets from our reforestation project in Soddo, Ethiopia. More information about this project can be found at worldvision.com.au/environmentalregistry.

Results from our carbon footprint reduction initiative

The data in the table on the opposite page has been independently verified by PricewaterhouseCoopers. The independent verification statement is available on our website at worldvision.com.au/Carbonfootprint2014.

The table shows the number of tonnes of CO₂-e emitted under each key activity during FY14 compared with the previous two years.

Total emissions rose by 1,152 tonnes CO₂-e due to increased paper-based marketing activities. Management has committed to immediate changes within the organisation to address this trend. This was offset by an 8% decrease in emissions associated with air travel due to a favourable variance in the factors published by the Department for Environment, Food and Rural Affairs (UK).

ENVIRONMENTAL MANAGEMENT

	2014	2013	2012
KEY ACTIVITIES MEASURED	tonnes CO₂-e	tonnes CO₂-e	tonnes CO₂-e
Electricity ¹	2,301	2,238	2,081
Paper	1,510	405	589
Air travel (fuel only) ²	1,270	1,382	1,491
Gas	215	128	138
Car fleet	170	161	179
TOTAL EMISSIONS BEFORE OFFSETS	5,466	4,314	4,478
OFFSETS			
Gold Standard offsets purchased	-	-	(1,200)
Gold Standard offsets purchased from World Vision programs ³	(3,473)	(1,657)	-
TOTAL EMISSIONS AFTER OFFSETS	1,993	2,657	3,278
TARGET	1,993	2,657	3,321

1. Australian National Greenhouse Accounts factors changed during the year and the conversion factors published in July 2014 have been used for this report. FY12 and FY13 results have not been recalculated.

2. The Environment Protection Agency (Victoria) and Department for Environment, Food and Rural Affairs (UK) factors for each particular cabin class decreased during FY14 and have been used in this report. FY12 and FY13 results have not been recalculated. Air travel emissions calculations exclude airfares purchased and reimbursed for non-World Vision Australia staff where they have been readily identified.

3. Voluntary Emissions Reductions (VERs) have been purchased from the Forest Finance Group, an accredited independent trader of carbon offsets that are generated from World Vision projects. These VERs have been purchased at market rate to offset 3,473 tonnes CO₂-e. The Gold Standard Foundation has certified the VERs.



IT'S POSSIBLE. MANAGING RESOURCES CAREFULLY FOR THE GREATEST IMPACT.

A child from a community in eastern Uganda where World Vision is training healthcare workers and increasing access to health services. Photo: Jon Warren/World Vision



FINANCIAL POSITION AND PERFORMANCE

Snapshot

The table below is a snapshot of our income and disbursements over the 2014 financial year compared to the previous two years. You can find more details in our "Summarised Financial Report" on pages 86 to 93.

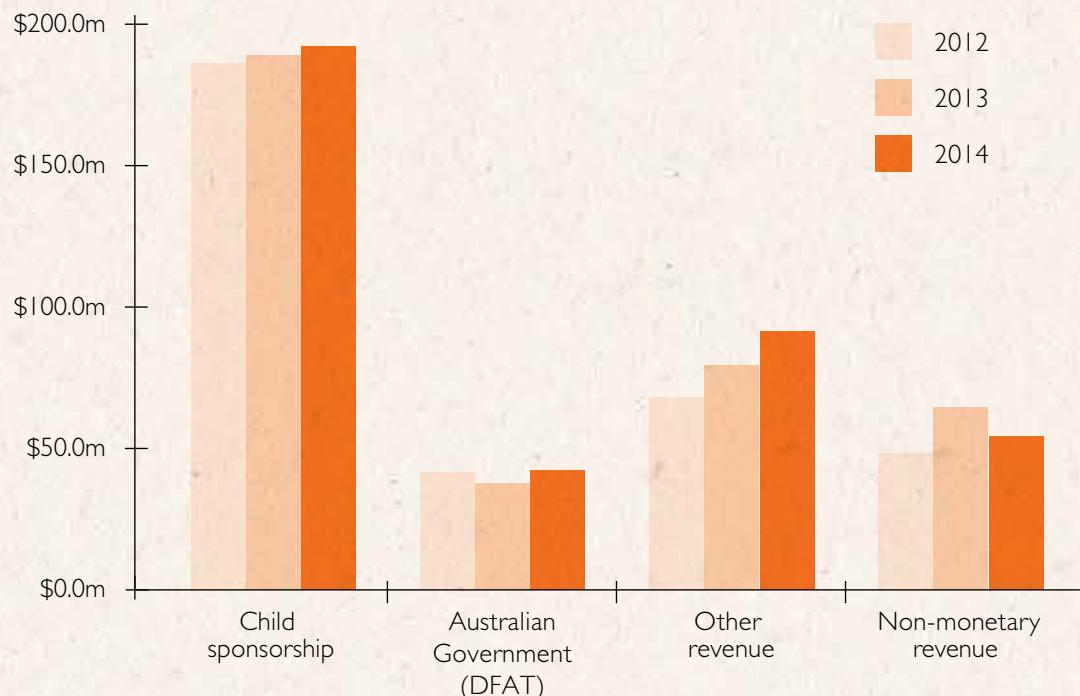
This snapshot and the Summarised Financial Report are set out in the manner required under the ACFID Code of Conduct to which we are a signatory. We are a "large charity" registered with the Australian Charities and Not-for-Profits Commission (ACNC) and we will also be lodging our financial information in the format which will be required by the ACNC for 2014 Annual Information Statements to be lodged by large charities registered with the Commission.

	2014	2013	2012
INCOME:	\$m	\$m	\$m
Child sponsorship	192.0	189.0	186.2
Grants - DFAT	42.3	37.6	41.5
Other revenue	91.3	79.4	68.0
Cash income	325.6	306	295.7
Non-monetary donations and gifts	54.4	64.4	48.2
TOTAL INCOME	380.0	370.4	343.9
DISBURSEMENTS:			
Fundraising	57.0	50.7	39.4
Accountability and Administration	25.4	25.3	26.9
Overheads	82.4	76.0	66.3
International Programs:			
Funds to international programs	211.9	216.8	211.2
Program support costs	7.2	8.3	8.8
Domestic Projects	5.1	4.3	3.8
Community Education	1.3	3.3	4.7
Program disbursements – cash	225.5	232.7	228.5
Non-monetary items to international programs	51.1	63.0	47.7
Program disbursements	276.6	295.7	276.2
TOTAL DISBURSEMENTS	359.0	371.7	342.5
SURPLUS/(DEFICIT)	21.0	(1.3)	1.4

FINANCIAL POSITION AND PERFORMANCE

Income

The graph below illustrates the three-year history of our income by source.



FY13 and FY14 comparisons

Child sponsorship: Revenue from our child sponsorship program grew 1.6% to \$192.0 million in FY14 and benefited from the full year effect of a rate rise that was introduced in FY13. The rate rise reflected the increasing cost of maintaining the quality and impact of our work in communities around the world. In FY14, the number of children sponsored through World Vision's child sponsorship program was 346,610, enabling these children, their families and their communities to benefit.

Australian Government (DFAT):

The value of grants received from DFAT, the Department of Foreign Affairs and Trade, grew by 12.5% to \$42.3 million.

Other revenue: This includes non-government grants, emergency relief appeals, other appeals, cash donations and gifts, and investment income. Other revenue increased by 15.0% to \$91.3 million. This is primarily due to increased focus on securing grants from outside Australia.

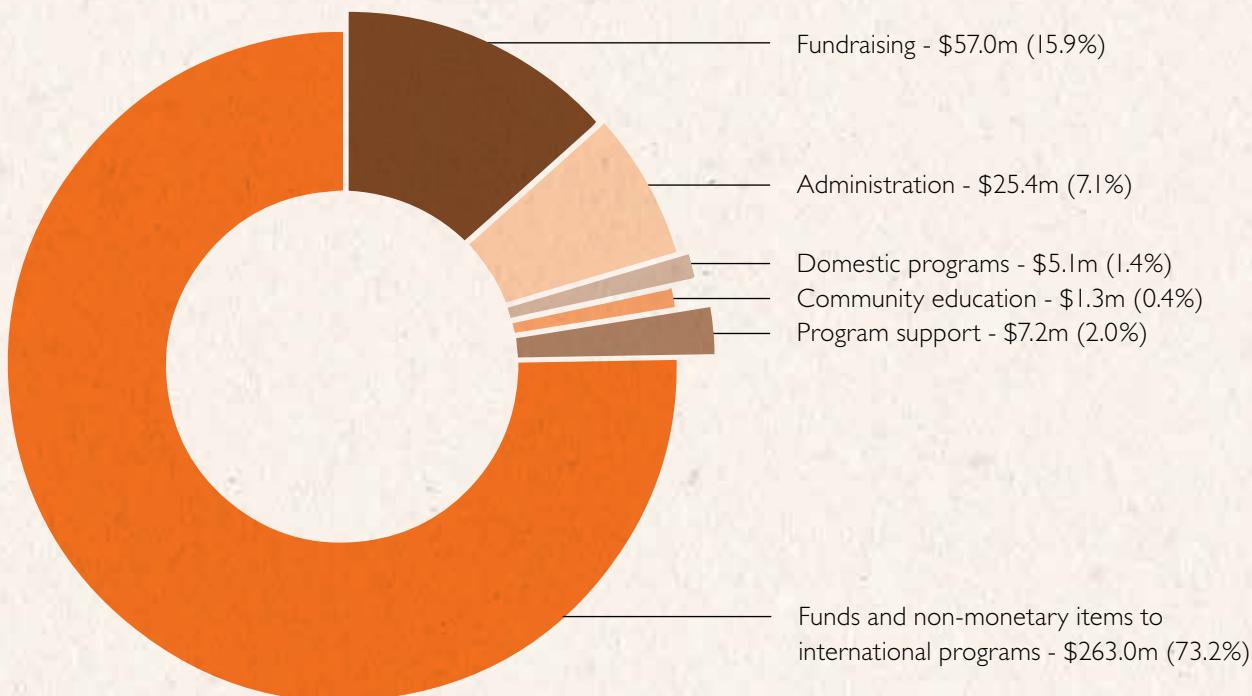
Overseas grant revenue increased by \$6.0 million (31.9%) to \$24.9 million. Our Typhoon Haiyan Appeal contributed to the increase in other revenue. The Australian public donated \$11.1 million towards emergency appeals, including \$8.5 million for the Typhoon Haiyan Appeal.

Non-monetary donations and gifts: This includes donated goods from corporations and overseas donor agencies, and any other non-cash income. In FY14, this category of revenue reached \$54.4 million, a decrease of 15.5%, primarily due to no shipments of pharmaceutical goods received in FY14. Other revenue in this category of \$44.6 million includes food from the World Food Programme.

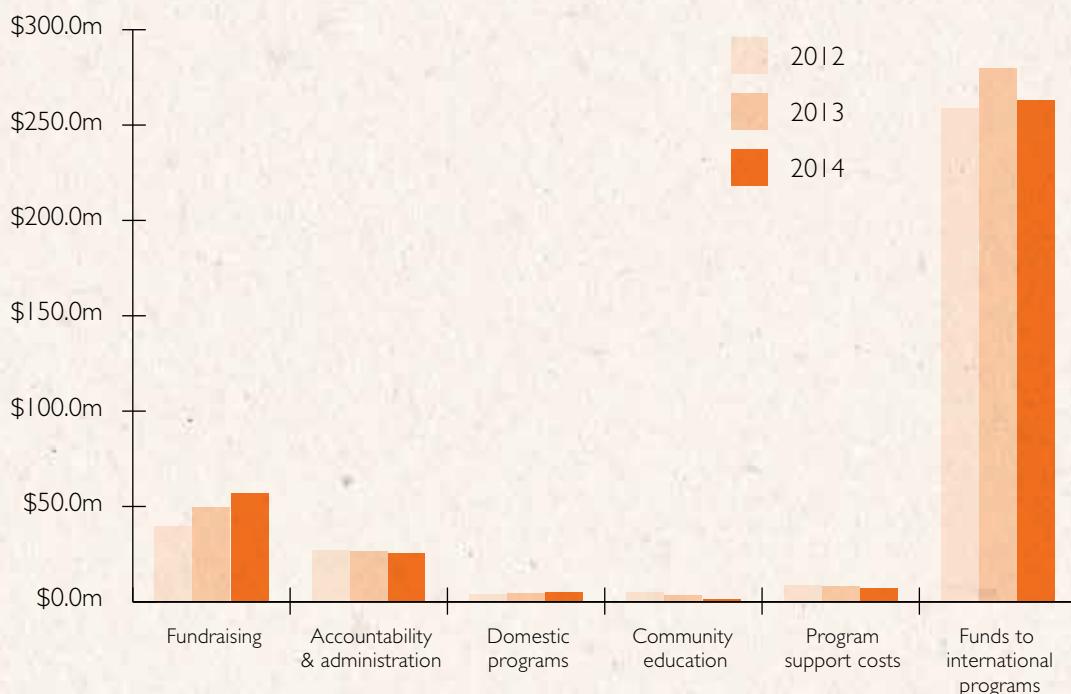
FINANCIAL POSITION AND PERFORMANCE

Disbursements – How funds were used in 2014

Set out below is an illustration of how funds were used in FY14.



And the following illustrates use of funds over FY12, FY13 and FY14.





Caroline's family received goats through a livestock raising project in Uganda that aimed to increase incomes.
Photo: Simon Peter Esaku/World Vision

FINANCIAL POSITION AND PERFORMANCE

Disbursements

FY13 and FY14 comparisons:

Fundraising: This includes the costs of marketing, creative services and publishing to attract new supporters for our poverty alleviation activities. Fundraising costs increased during the year from 13.7% of revenue to 15.0%, as deeper investment was made into building supporter relationships and tailoring giving solutions to ensure they are relevant, meaningful and transformational.

Accountability and administration: This includes the costs of information technology, finance and accounting, human resources, and legal and risk management functions, as well as our CEO and management teams (see page 66 for more information). In FY14, ongoing attention to these costs resulted in a slight, well under CPI, increase of 0.3% when compared with FY13.

Domestic programs: This includes our disbursements for work in Australia on Indigenous development programs. Funds to domestic programs have increased by 18.6% to \$5.1 million, primarily for building sustainable economies and improving governance and leadership competencies.

Community education: This includes the costs associated with public awareness campaigns in Australia and advocacy activities which seek to bring about change in government and institutional policies. In FY14, community education expenses decreased by 60.6% to \$1.3 million. This is largely due to aligning our fundraising activities with building supporter relationships and providing context for a broader understanding of poverty and its alleviation.

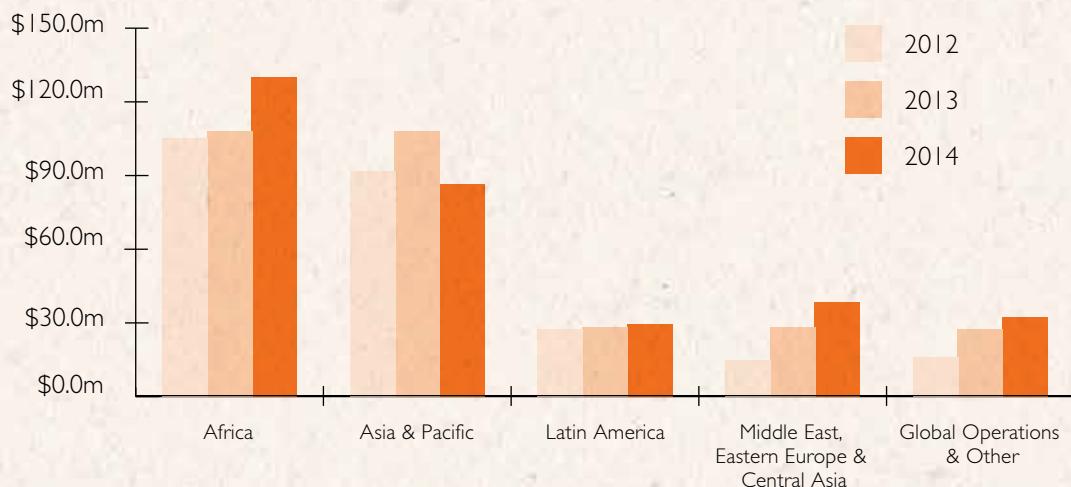
Program support costs: This includes costs associated with quality advisors and sector specialists, who are engaged by us in Australia to assist with the design, monitoring and evaluation of the programs we support to ensure maximum impact. A fall in program support costs of 13.3% to \$7.2 million is primarily due to partnering with other World Vision entities, resulting in less contracted services.

Funds to international programs: This includes all cash, food (including World Food Programme contracts) and goods (including medicines) designated for our international programs. It also includes funds transferred to the Partnership Treasury Office and designated for field programs which have not yet been committed to a specific project but will be allocated to projects in future years. Through the generosity of our supporters, we were able to maintain our commitment to the field in FY14. Monetary contributions to our mission through overseas projects and domestic projects fell only slightly by 2.3% to \$211.9 million and non-monetary contributions, such as pharmaceuticals and World Food Programme commodities, also fell by 18.9% to \$51.1 million. You can find out more about how funds reach communities on pages 36-37.

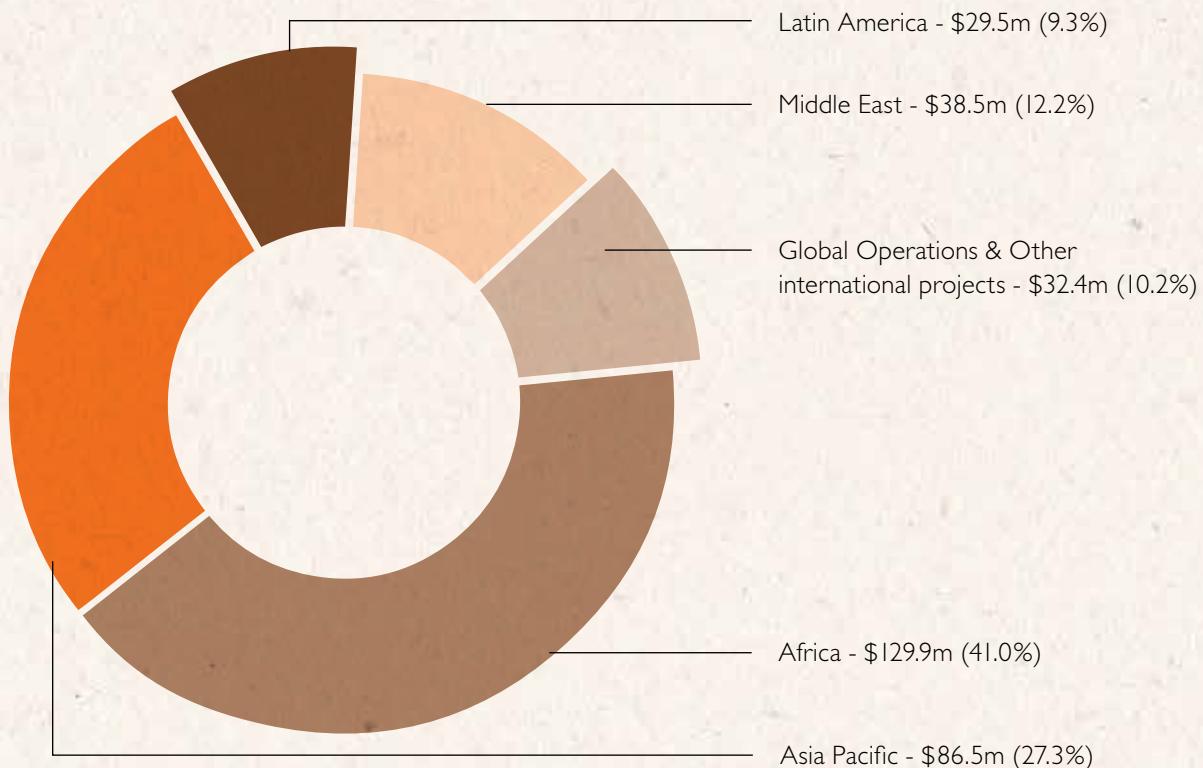
Excess of revenue over expenditure: Total revenue for the year was \$380.0 million. Total funds to international and domestic programs was \$217.0 million, non-monetary items to international programs was \$51.1 million and other expenditure was \$90.9 million resulting in a surplus of \$21.0 million held, which is prepositioned for field projects occurring next year.

FINANCIAL POSITION AND PERFORMANCE

The graph below shows disbursements of cash, food and goods by region in the 2014 financial year compared with the previous two years.



This chart shows disbursements by region in the 2014 financial year.



FINANCIAL POSITION AND PERFORMANCE

The illustration on the previous page shows how much was disbursed to our projects in various regions in FY14.

Funds for these were derived from our income in FY14 comprising cash (\$211.9 million) and non-monetary income (\$48.9 million)* as well as \$53.8 million from the reserves held for us at the Partnership Treasury Office. These reserves comprise funds specifically designated for future field programs at the time we transferred them to the Partnership Treasury Office in previous years. In each financial year, we remit funds (income we have received in that year) to the Partnership Treasury Office. When funds needed for projects in the year are less than what we have remitted for the year to the Partnership Treasury Office, the reserves increase pending future disbursements to projects and where more funds are needed, we draw down on those reserves. FY14 was a year when we drew down on the reserves. The reserves enable us to manage and ensure the sustainability of the funding needs of our long-term projects.

The disbursements towards "Global Operations and other international projects" cover costs of Partnership technical experts who oversee and coordinate activities, including strategic operations, and also engage in international advocacy activities on issues such as debt relief, HIV and AIDS and child rights. By working with these experts, we improve efficiency and maximise economies of scale.

Ensuring our ability to meet our field program financial commitments

Communities must be able to trust that the time and energy they invest in participating in programs will not be wasted because we fail to meet the commitments we have made.

As part of the Partnership's global planning process, we make funding commitments to relief and development programs we will support (international or domestic) approximately three to six months before the start of the next financial year. All funds proposed to be allocated or committed are considered and approved by our Field Allocations Committee with responsibility for oversight of the use of funds in all our programs. Funding decisions are based on

criteria such as strategic fit, organisational capacity and budget requirements. The committee applies local and international accounting standards. Operational audits ensure that our overseas and local partners adhere to our project management standards. This helps to provide the requisite level of certainty around funding streams for local offices implementing our programs to enable them to plan appropriately and allocate resources.

Our staff visit our projects and monitor sustainability, impact, development approach and financial risk.

All overseas projects we support are funded in US dollars. The Partnership Treasury Office enters into foreign exchange hedging contracts on instructions from us.

We are committed to ensuring that funds donated to us are used for the purposes for which they were raised. The only exception to this occurs where circumstances beyond our control prevent us from utilising funds in the promised manner. Such circumstances may include instances where:

- geopolitical issues prevent the use of funds;
- security of staff is jeopardised so that we are forced to withdraw from the project;
- the relevant community has asked us to leave; or
- we lose confidence that our field partner has capacity to implement projects and account for funds.

If such circumstances arise, we allocate the funds to areas of similar need. We generally inform our donors of this in general communications about each appeal. Where specific communication is required, the method of communicating will depend on the number of donors impacted.

We are committed to accountable and transparent financial management and follow strict procedures to ensure funds are used as intended, including annual internal and external audits. Our audited statutory accounts are lodged annually with ACNC and ACFID and are available on our website at worldvision.com.au/StatAcc2014.

* For more details, see note 5 on page 37 of our Annual Statements and Accounts available on our website at worldvision.com.au/StatAcc2014.



Ugandan children like Auco, aged 10, are benefiting from improved access to learning materials, including textbooks, donated through World Vision.
Photo: Gary Dowd/World Vision

SUMMARISED FINANCIAL REPORT

Set out on the following pages is our Financial Report for the year ended 30 September 2014 in summarised format. The information includes:

Declaration by Directors	Page 86
Independent Auditor's report	Pages 87-88
Income Statement	Pages 90-91
Statement of Financial Position	Page 92
Statement of Changes in Equity	Page 93

All amounts are presented in Australian dollars.

You can find the full version of our Annual Statements and Accounts for the year ended 30 September 2014 on our website at worldvision.com.au/StatAcc2014. This will also be lodged with the Australian Charities and Not-for-Profits Commission and the Australian Council for International Development.

DECLARATION BY DIRECTORS

In accordance with a resolution of the Board of Directors of World Vision Australia, the Directors declare that in their opinion:

- (a) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (b) the financial statements and notes set out on pages 11 to 50 have been prepared in accordance with Subdivision 60-C of the Australian Charities and Not-for-profits Commission Act 2012, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 September 2014 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Regulation 2013.

On behalf of the Board



Chairman



Director

Melbourne
20 November 2014

SUMMARISED FINANCIAL REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of World Vision Australia

We have audited the accompanying financial report of World Vision Australia (the "Company"), which comprises the statement of financial position as at 30 September 2014, the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Directors' declaration of the Company.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Act 2012. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012.

Auditor's opinion

In our opinion:

- a. the financial report of World Vision Australia has been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
 - i. giving a true and fair view of the Company's financial position as at 30 September 2014 and of its performance for the year ended on that date.
- b. the Company's financial report also complies with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulation 2013.

SUMMARISED FINANCIAL REPORT

Other matters

Without qualifying our opinion, we draw attention to the following matter. As indicated in Note 1(a) the statement of financial position, income statement, statement of changes in equity and table of cash movements for designated purposes as disclosed in Note 18(c) have been prepared in compliance with the Australian Council for International Development (ACFID) Code of Conduct Section C.2.2.

Report on the Australian Council for International Development (“ACFID”) Code of Conduct Summary Financial Report (the “Report”)

We have audited the Report of the Company, which comprises the statement of financial position as at 30 September 2014, and the income statement, statement of comprehensive income, statement of changes in equity and table of cash movement for designated purposes as disclosed in Note 18(c) for the year ended on that date and the directors' declaration. The directors of the Company are responsible for the preparation and presentation of the Report in accordance with section C.2.2 of the Australian Council for International Development (ACFID) Code of Conduct. Our responsibility is to express an opinion on the Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion, the Australian Council for International Development (ACFID) Code of Conduct Summary Financial Report of World Vision Australia for the year ended 30 September 2014 complies with section C.2.2 of the Australian Council for International Development (ACFID) Code of Conduct.

I, Eric Passaris, am currently a member of the Institute of Chartered Accountants in Australia and my membership number is 78720.

Grant Thornton Audit Pty Ltd was the audit firm appointed to undertake the audit of World Vision Australia for the year ended 30 September 2014. I was responsible for the execution of the audit and delivery of our firm's audit report.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD

Eric W Passaris

Eric Passaris
Partner - Audit and Assurance

Melbourne
20 November 2014



A World Vision transport boat travels along the Nile River towards a camp for the displaced in South Sudan.
Photo: Ilana Rose/World Vision

SUMMARISED FINANCIAL REPORT

Income Statement for the year ended 30 September 2014

	2014	2013
REVENUE	\$'000	\$'000
Donations and gifts		
Monetary		
Pledge programs	201,182	198,143
Appeals, donations and gifts	50,238	44,293
Non-monetary		
Donated goods and assets	9,790	44,480
Grants (multilateral)	44,615	19,884
	305,825	306,800
Bequests and legacies	4,107	3,066
Grants		
DFAT	42,340	37,569
Other Australian	688	1,804
Other Overseas	24,900	18,877
	67,928	58,250
Investment Income	1,417	1,275
Other Income	728	879
TOTAL REVENUE	380,005	370,270

SUMMARISED FINANCIAL REPORT

(Revised)*

EXPENDITURE	\$'000	\$'000
	2014	2013
International aid and development programs expenditure		
International Programs		
- Funds to international programs	211,895	216,775
- Program support costs	7,191	8,314
	219,086	225,089
Community Education	1,348	3,260
Fundraising Costs		
- Public	55,609	47,479
- Government, multilateral and private	1,404	3,181
Accountability and Administration	25,421	25,341
Non-Monetary Expenditure	51,063	63,035
Total International Aid and Development Programs Expenditure	353,931	367,385
Domestic Programs Expenditure	5,071	4,257
TOTAL EXPENDITURE	359,002	371,642
Excess/(Shortfall) of Revenue over Expenditure	21,003	(1,372)

The above income statement should be read in conjunction with the accompanying notes which can be found in the full version of our Annual Statements and Accounts for the year ended 30 September 2014 on our website at worldvision.com.au/StatAcc2014.

Note: For the purposes of the Australian Council for International Development Code of Conduct, at the end of 30 September 2014, World Vision Australia had no transactions in the following categories: Revenue for International political or religious proselytisation programs and Expenditure for International political or religious proselytisation programs.

* The ACFID Code of Conduct (Section F.2.1) allows donation-related bank fees to be included in the "Fundraising costs - public" expense line item in the Statement of Income. In 2013, \$919,000 of donation-related bank fees have been appropriately reclassified from "Accountability and Administration" to "Fundraising costs - public".

SUMMARISED FINANCIAL REPORT

Statement of Financial Position as at 30 September 2014

	2014	2013
ASSETS	\$'000	\$'000
Current Assets		
Cash & Investments	47,973	30,623
Receivables	2,310	1,692
Financial Assets	62	59
Inventories	16	22
Donated Goods	3,672	2,324
Unrealised Currency Hedge Receivable	5,810	6,996
Total Current Assets	59,843	41,716
Non-Current Assets		
Property, Computer Hardware & Equipment	21,505	22,652
Intangibles	3,419	788
Total Non-Current Assets	24,924	23,440
TOTAL ASSETS	84,767	65,156
LIABILITIES		
Current Liabilities		
Accounts Payable	6,888	7,923
Provisions	6,260	5,549
Total Current Liabilities	13,148	13,472
Non Current Liabilities		
Provisions	1,206	1,088
Total Non Current Liabilities	1,206	1,088
TOTAL LIABILITIES	14,354	14,560
NET ASSETS	70,413	50,596
EQUITY		
Reserves	5,810	6,996
Retained Earnings	64,603	43,600
TOTAL EQUITY	70,413	50,596

SUMMARISED FINANCIAL REPORT

Statement of changes in equity as at 30 September 2014

	Reserves \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 October 2012	(2,759)	44,972	42,213
Shortfall of Revenue over Expenditure	-	(1,372)	(1,372)
Other comprehensive income for the year	9,755	-	9,755
Balance at 30 September 2013	6,996	43,600	50,596
Excess of Revenue over Expenditure	-	21,003	21,003
Other comprehensive loss for the year	(1,186)	-	(1,186)
Balance at 30 September 2014	5,810	64,603	70,413

These statements should be read in conjunction with the accompanying notes which can be found in the full version of our Annual Statements and Accounts for the year ended 30 September 2014 on our website at worldvision.com.au/StatAcc2014.



A blurry, out-of-focus photograph showing what appears to be a child-friendly space or classroom. There are tables and chairs visible, along with some colorful decorations or toys. The overall atmosphere is soft and hazy.

IT'S ALL POSSIBLE. THANKS TO YOU.

Shaira at a child friendly space in the Philippines. World Vision set up these spaces following Typhoon Haiyan to help children recover from the disaster. Photo: Mark Nonkes/World Vision



CONTACT DETAILS

World Vision Australia

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**we're for
Australian Aid**

The Campaign for Australian Aid is a joint initiative of the Make Poverty History and Micah Challenge coalitions, for all Australians who believe we can and should do more for a nation to end extreme poverty around the world.